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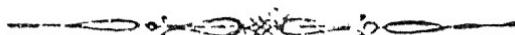
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INDIA IN HOME POLITY

January—June 1934

Chronicle of Events

JANUARY 1934

4th. Gandhiji's Tour in Kerala :—Gandhiji, accompanied by Messrs. Kelappan and Krishnaswami Aiyar, left Palghat on tour in the interior places in car, driven by Mr. Shamjee Sunderdas, a leading businessman in Calicut. He paid flying visits to Chittur, Velayanchathanur, Koduvayur, Theukurishi and Nochuli, where he was presented with welcome addresses and money purses. As usual Gandhiji auctioned these addresses and realised cash. On the next day, he visited Walluyanad taluk. At Guruvayur, Gandhiji addressed a large audience including a number of ladies. Public addresses and purse were presented to him. Gandhiji and party reached Cannanore on the night of 11th January. He next visited Payyanur and returned to Cannanore where he addressed a large public meeting when addresses were presented on behalf of the public by the Shanti Mission, Jathi Nasani Sabha, Hindu students, Malabar Adi-Dravida Association and the trustees of the Sundareswara Temple. A purse was also presented. Gandhiji left for Tellicherry in the evening. From Tellicherry Gandhiji left for Mahe (French India) where he was received by the Mayor and an address and purse were presented on behalf of the public. From Mahe he left for Quilandy, visiting on the way Badagara. At Quilandy he received a public address and purse, after which the party left for Calicut. He addressed a ladies' meeting when a purse was presented to him on behalf of the ladies of Calicut. He visited the "Mathrubhumi" office and unveiled the portrait of the late Mr. Madhavan Nair. He next visited the Malabar Christian College where he was received by the Principal, Rev. Streckcisan, and the staff. Gandhiji addressed the students in which he exhorted them to get rid of untouchability.

7th. Bomb Outrage at Chittagong :—Mr. M. F. Cleary, Superintendent of Police Chittagong, was slightly injured in the hand when, it was alleged, four Hindu youths threw bombs on Europeans watching a cricket match. One of the alleged assailants was, however, killed on the spot, two severely wounded, while the fourth was arrested. It was stated that three bombs were thrown, two of which failed to explode. Several live bombs and a revolver were recovered from the alleged assailants, one of whom was subsequently identified as Krishna Chowdhury, an Armoury raid absconder.

8th. H. E. the Viceroy's Address to the Associated Chambers :—“It is my confident opinion that a great and brilliant future lies before India. She has chosen her path, that of progress, and on it her feet are firmly set.”—Thus spoke His Excellency the Viceroy in an address to the Associated Chambers of Commerce in Calcutta. His Excellency referred to the progress of civil aviation, the Lancashire delegation's visit and the Indo-Japanese Agreement and the economic depression and said that there were already signs of improvement. Finally, His Excellency appealed for co-operation.

His Excellency the Viceroy on the Terrorist Movement :—At the Calcutta European Association dinner, in the course of his speech, H. E. the Viceroy referred to the terrorist movement in the province and said that it was one against which the full resources and power of the Government would continue to be unhesitatingly employed. He characterised the terrorists as the greatest enemies of their own country. His Excellency then referred to another aspect of the movement, viz., the economic depression with consequent unemployment, and expressed satisfaction with the measures already taken to tackle the economic problem.

Police Fire on Strikers at Bombay :—Eight persons were injured in a skirmish between the strikers of the Sasoon Spinning Weaving mills and the new labour engaged in their place. While the latter were emerging from the mill 400 strikers, it was stated, attacked them using sodawater bottles, stones and other

missiles. A posse of police who were standing by took the situation in hand but the strikers turned against the police themselves causing injury to a sergeant and two sub-inspectors. Finding that the situation was getting worse the police fired ten rounds as a result of which one striker was injured and admitted into hospital. The crowd gradually melted away though stray assaults continued for sometime.

3th. League's Reply to Hindu Mahasabha :—The reply sent by the League of Nations to the Hindu Mahasabha regarding the latter's representation in conformity with the resolutions passed at the Ajmere session of the Mahasabha clarified the League's legal commitments in the matter of protection to the Minorities. The reply was accompanied by certain documents and pamphlets concerning the protection of linguistic, racial and religious minorities by the League and also provisions contained in the various International instruments at present in force. The reply ran thus:—"The League's responsibility in connection with the protection of the Minorities is based either on special treaties concluded between certain governments and dealing in each case with the protection of minority in a specified state or on declaration made by certain Governments, members of the League—by which they have accorded to the League's Council certain responsibilities in connection with the protection of Minorities in their countries. There is no provision in the League's Covenant which would admit the extension of rights and responsibilities of the Council in connection with the protection of minorities in any country not covered by such treaties or declarations, except as the result of official governmental initiative and the consent of the government concerned. The resolution adopted at the third assembly of the League could not confer any powers on the Council. Article 11 of the Covenant applied only to cases of war or threat of war and circumstances affecting the international peace and it could only be invoked by the Governments concerned."

15th. Disastrous Earthquake in Bihar :—A disastrous earthquake occurred in North India to-day and the shock was felt in the whole area from Assam to Cawnpore. Bihar was the province most affected. The earthquake caused wide-spread loss of life and damage to buildings, the full extent of which could not be ascertained owing to interruption of telegraphic and railway communication. In Patna division, a Government communiqué said, over 500 lives were lost and several hundreds of persons injured and over 4,000 houses in the town were either damaged or destroyed. In Bhagalpur division, there was not much loss of life but buildings were extensively damaged. Moughyr town suffered very severely and loss of life estimated at several thousands occurred in the bazar which was a heap of ruins. At Jamalpur great damage was done, while about 20 died. Tirhut division suffered most, with railways and roads unpassable. Many lives were lost in Muzaffarpur town and buildings damaged. Dharbhanga was equally affected. Both the palaces of the Maharaja of Darbhanga were damaged. In Muzaffarpur and Darbhanga almost every European factory was damaged. A report from the United Provinces to the Government of India stated that the earthquake was most severe in the eastern portion of the province. Another earthquake shock was reported to have been felt at Muzaffarpur on 20th January. Some slight shocks were noticed at the same time in Cawnpore, Mogalsarai and Allahabad.

Earthquake Relief :—His Excellency the Viceroy issued an appeal for relief in connection with the earthquake. He set up a fund and started the fund with a donation of Rs. 5,000. His Majesty the King-Emperor gave a hundred pounds while the Queen donated fifty pounds. A provincial relief fund was opened by the Bihar Government. The Mayor of Calcutta started a relief fund and the Muslim Relief Committee sent money and workers to the devastated area. A subscription fund for the relief of the victims of the earthquake was opened in Paris under the auspices of the Union Internationale Secours. They sent £1,000 for the First Aid and Red Cross work. Babu Rajendra Prasad formed a relief committee and issued an appeal to South India for help. Pandit Jawaharlal also joined in the appeal and visited Muzaffarpur on 22nd January. In response to the Viceroy's appeal, the Governor of Bombay contributed a thousand rupees to the Viceroy's Fund.

- 16th.** *Gandhi's Tour in the South* :—Mahatma Gandhi and party left Calicut for Trichur where they arrived to-day. Gandhiji stayed at the Ramakrishna Gurukul Mandir. He addressed a public meeting and left for Ernakulam. Gandhiji stayed at the premises of the Tata Mills. He left Tatapuram for Tripunithura and afterwards returned to Ernakulam. He was presented with a civic address. Gandhiji and party left Ernakulam for Alleppey en route to Quilon where he arrived on 20th January. A purse was presented by the public of Quilon after which he left for Trivandrum. Mahatmaji addressed a large public meeting in the Municipal Maidan when addresses and purses were presented to him.
- 17th.** *Protest against alleged excesses during troop marches* :—A public meeting of the citizens of Calcutta, at the Albert Hall, Mr. A. K. Fazl-ul-Haq presiding, protested against "the alleged excesses reported to have been committed in connection with the route marches of troops in the district of Midnapore." The meeting also adopted a resolution protesting against the alleged enforced saluting of the Union Jack, flogging of villagers and destruction of their property.
- 18th.** *Pt. Jawaharlal condemns Terrorism* :—Addressing a meeting of students in Calcutta, Pandit Jawaharlal said that the action of a few terrorists in Bengal had given the Government an excuse to crush every single activity in the province. He emphasised that the method of terrorism was completely futile, ineffective and harmful, and to his mind the only method was mass action which must be peaceful. He concluded by saying that behind all these problems were economic causes, and the solution of the economic problem would solve the other problems.
- 24th.** *Mr. Rafi Ahmed Kidwai sentenced* :—Mr. Rafi Ahmed Kidwai was sentenced by the Additional District Magistrate of Allahabad to nine months' rigorous imprisonment under the Criminal Law Amendment Act and to six months' rigorous imprisonment under the Press Act in connection with unauthorised leaflets bearing his name as Provincial Congress Secretary, discovered during a raid, the sentences to run concurrently. Four Congressmen were sentenced to six months each in the same connection.
- Order on Chittagong Youths* :—The District Magistrate, Chittagong, served a notice on about one hundred Hindu Bhadrakali youths ordering them to remain within their houses for one month. The notice read:—"Whereas I consider the restriction of your movement necessary with a view to stopping the movement of absconders and terrorists, you are hereby ordered, under the Government notification of 2nd December 1932, under the Suppression of Terrorist Outrages Act, to remain indoors for one month, where you ordinarily reside."
- 26th.** *Seth Punamchand sentenced* :—Seth Punamchand Ranka was sentenced at Nagpur under section 7 (1) (B) Criminal Law Amendment Act and Section 143, I. P. C. to five and six months' rigorous imprisonment respectively, the sentences to run consecutively. He was also fined Rs. 500 in default to a month's imprisonment. It might be recalled that Seth Punamchand Ranka was arrested with ten others on 30th December last, while preaching boycott of British goods.
- 28th.** *The Toll of the Earthquake* :—Monghyr and Muzaffarpur were the towns which suffered much in the recent earthquake. In Muzaffarpur only three houses defied the earthquake, while in Monghyr not even one was left standing. The debris took a long time to be cleared. It was estimated that the number of deaths of human beings would exceed twelve thousand. The towns were stinking on account of the dead bodies under the debris, which were not extricated. The cattle in Monghyr mostly perished and the loss at a modest estimate might come up to a lakh. Relief camps were working in both the towns. Besides the official camps which were working under the guidance of the District Magistrate, the Central Relief Camp of Babu Rajendra Prasad's Committee was also working. St. John's Ambulance Association opened a branch. A number of doctors, both Ayurvedic and Allopathic, opened free medical relief centres. The Vivekananda Mission, the Sri Ramakrishna Mission, the Marwari Relief Society of Calcutta, the Hindu Mahasabha and twenty other bodies also opened relief camps. H. E. the Viceroy's Earthquake Relief Fund exceeded five lakhs of rupees by this time.

31st. New Anti-Terrorist Bill for Bengal :—With the object of dealing more effectively with terrorism a bill known as Bengal Criminal Law Amendment Bill 1934 was introduced at the current session of Bengal Council by the Home Member (Mr. R. N. Reid), providing death penalty for possession and manufacture of arms and explosives if the offenders intend to use them for the commission of murder or abetment. The Bill also made provision for the extreme penalty for sale of firearms with the intent to murder or abetment of the offence. According to the statement of objects and reasons the necessity for this provision had arisen from the fact that several cases of use of country-made arms have recently come to the notice of the Government.

FEBRUARY 1934

1st. Muslims and Calcutta Municipal Services :—The demand of nineteen Moslem Councillors for the allotment to Muslims of one-third of the appointments in the Municipal services was rejected by the Calcutta Corporation. The House instead, accepted an amendment reaffirming the policy of the late Mr. C. R. Das and Mr. J. M. Sen Gupta and Mr. Subash Chandra Bose of associating qualified Moslems in a fair measure in the Services, without impairing efficiency.

Decline in the number of C. D. Prisoners :—The gradual decline in the number of persons undergoing imprisonment in connection with the Civil Disobedience movement is maintained. At the end of January last 1,990 persons were undergoing imprisonment as against 2,778 at the end of December, 1933. Bombay registered a decrease of 113, Madras 54, Bihar and Orissa 390, Bengal, 86, and the United Provinces 124. The number of prisoners at the end of January 1934 were : Madras 106, Bombay 877, Bengal 285, United Provinces 223, Punjab 63, Bihar and Orissa 182, Central Provinces 51, Assam 28, North-West Frontier Province 153, Delhi 7, Coorg 5, and Ajmer-Merwara 11.

2nd. Riots in Kashmir :—A Kashmir Government communiqué said : Reports from Srinagar and mofussil states that a large gathering collected at Kankar Mohana Mosque, where Mr. Ghulam Mahomed delivered a speech. A big procession was then taken out from Kankar in defiance of the District Magistrate's orders. Attempts to stop it were made by the Police near Fatteh Kadal, but the mob overpowered the officers and the Police under showers of stones and Kangries, i. e., firepots. The procession later changed its programme and returned to Kankar. Smaller processions of women and children were also taken out earlier in the day, the adults accompanying them became very violent and pelted the Police with stones and some of the Police received injuries and a few constables are missing. The Police tried to disperse a mob near Avantipur but were attacked with stones and kangries. The Government Tehsil building was then attacked by the mob and attempts were made to break into the Treasury. The military were forced to open fire, resulting in some casualties.

Help Devastated Bihar : Mahatma Gandhi's Appeal to Foreign Countries :—Mahatma Gandhi issued the following appeal to foreign countries on behalf of the earthquake-stricken people of Bihar :—"I heartily endorse Babu Rajendra Prasad's suggestion of appealing to foreign countries, in the hope that Indians living in different parts of the world will send the most they can. I have in mind especially old friends and fellow-workers in Africa. Merchants and others living in England, on the Continent, Japan and America are also requested to send liberal contributions. In point of distress nothing perhaps has surpassed Bihar's calamity in India within living memory. Reluctant though I always

been to appeal to non-Indians for pecuniary help not from any prudery but out of delicate consideration, I gladly accept Babu Rajendra Prasad's suggestion and invite the numerous non-Indian friends in Europe, Africa and other parts of the world to render such help as they can.

- 5th.** *Death of Mr. A. Rangaswami Iyengar* :—Mr. A. Rangaswami Iyengar, Editor, of the "Hindu", Madras died at 1-45 A.M. to-day. He was 57 years old. Mr. Iyengar joined the "Hindu" as Assistant Editor in 1906 and left it in 1915 to take editorship of "Swadesmitram" the leading Tamil daily. He was appointed Editor of the "Hindu" in 1928. Mr. Iyengar was a prominent Congressman and in 1919 he went to England to give evidence in connection with the Montford Reforms scheme on behalf of the Congress. He was General Secretary of the Congress from 1924 to 1927. He was elected to the Legislative Assembly in 1921, being appointed Secretary of the Swaraj Party the same year. He was a delegate to the Round Table Conference of 1931 and 1933 and was called into consultation with the Joint Parliamentary Committee on the White Paper. His death was deeply mourned as a great loss to Indian journalism and politics.
- 6th.** *Bihar's Distress : Acharya Ray's Appeal* :—“North Bihar is literally a whole mass of ruin. Lakhs have lost their dwelling houses and are now exposed to weather and wind. Wells have either gone dry or have been choked with sand thrown up from fissures made in the surface of the earth. Thousands of acres of what were most fertile land before the 'quake' are sandy deserts to-day. The present is a complete picture of utter desolation and indescribable misery and want, and the future is blank without even that promise of hope that sustains. We, with all the imagination, can hardly make any idea of the misery, from this distance. Lacs have come where crores are needed. Remember we are on our trial. If we really mean to save these children, sisters and brothers of ours, we shall have to leave on one meal and part with the other for their sake. I pressingly urge my brothers and sisters to realise this and contribute to the best of their capacity”.
- 10th.** *Burge Murder Case Judgment* :—The Special Tribunal, consisting of Mr. H. G. Waight (president), Mr. T. N. Bose and Rai S. P. Ghosh Bahadur (Commissioners) pronounced judgment in the Burge murder conspiracy case, sentencing Nirmaljibhan Ghose, Brajakishore Chakravarti and Ramkrishna Ray to death ; Kamakshya Ghosh, Nandalal Singh, Sanatan Rai and Sukumar Sen to transportation for life. Manindra Chowdhury, Purnananda Sanyal, Bejoy Krishna Ghosh and Sarojedas Kanungo were acquitted.
- 12th.** *Pandit Jawaharlal Nehru arrested in the evening at Allahabad*. He returned from Bihar yesterday after ten days' tour and was busy writing a report for the Central and Allahabad Committees. This made the Pandit's seventh arrest. He had already spent about five years and a half in jail. He was brought down to Calcutta and was sentenced by the Chief Presidency Magistrate to two years' S. I. on a charge of sedition and was put in "A" Division.
- 14th.** *Gandhiji's Tour* :—After his tour in the Coimbatore district, Gandhiji visited Combai and Thavaram in Madura district where addresses and purses were presented. From Thevaran the party motored to Theni railway station en route for Sholavandan. Gandhiji was accorded rousing receptions on the way. At Sholavandan a crowded meeting was held and addresses and purse were presented. He left the same day for Trichinopoly. At Srirangam an address was presented on behalf of the public of Srirangam. The Trichinopoly Taluk presented an address and purse. He addressed a mammoth gathering in the Puthur maidan where he received a number of addresses and purses. After visiting suburbs of Trichinopoly, Gandhiji visited Kulitalai, Karur and Trichengodu, and proceeded to Salem. On the way Gandhiji was presented with addresses and purses at Namakkal, Sendamangalam and Rasipur. From Salem, the party entrained for Tanjore where they arrived on 16th February. After his tour in the Tanjore District, Gandhiji left for Chidambaram. Next, the party visited Cuddalore and Pondicherry and then motored to Tiruvannamalai. Vellore was next visited by Gandhiji.
- 17th.** *The Railway Budget* :—The Indian Railway Budget was introduced in the Legislative Assembly by the Railway Member and in the Council of State by the Chief Commissioner for Railways. It showed that while last year the deficit was 10 one fourth crores as against the anticipated figure of 9 three fourth crores, in the current year the revised estimates suggested a deficit of 7 three fourth crores and in the budget estimates for 1934-35 the deficit anticipated was 5 three fourth

crores. Sir Joseph Bhore, in his speech introducing the budget in the Assembly saw a revival of trade judging by the movement of traffic and opined that intrinsically the financial position of the Indian railways was strong.

19th. Statistics of Crime in Bengal :—According to a statement by the Home Member, laid on the table of the Bengal Council, 2,241 dacoities were committed in Bengal in 1931, 1,845 in 1932 and 1,612 in 1933. Of these the number of cases in which firearms were used was 130, 154 and 101 in respective years and the number of cases in which "Bhadralog" classes participated in these years were 55, 60 and 45 respectively.

20th. Mr. Jinnah's criticism of the White Paper :—That the All-India Federation visualised in the White Paper scheme was not a real and genuine federation, that this scheme was retrograde, that it would create an enormous amount of ill-feeling and ill-will between the Indian States and British India and that it would prove a failure, were some of the observations made by Mr. Mahomed Ali Jinnah at a public meeting held at Blavatsky Lodge, Bombay.

Armed Gang with Bombs and Swords :—Information was received in Calcutta of the arrest by police of two members of an armed gang in the night while preparing to commit a dacoity in village Birkasimnagar within the jurisdiction of Kuliarchar Police station in the district of Mymensingh. It was reported that shots were exchanged on both sides resulting in one dacoit being seriously injured. The police, it was also reported, seized a muzzle loader with ammunition, bombs, swords and chisels.

22nd. Military Marches in Midnapore and Contai :—The question of military marches in Contai and Tamluk Sub-Divisions in Midnapore District was again raised on the floor of the Bengal Council during question hour when, replying to Mr. R. Maiti, Hon'ble R. N. Reid asserted that the principal object of these marches was to enable the people of the villages in the interior "to meet the troops and to appreciate their high standard of discipline, efficiency and nobility and to show that the Government have at their disposal ample resources for the protection of all loyal and law-abiding citizens." To further questions, the Home Member admitted that house searches were made by the police during these operations, but denied that the searches were ever made by troops. He was emphatic that no avoidable damage had been caused.

23rd. Hunger-strike in Alipore Jail :—Answering a short notice question in the Bengal Council Sir C. C. Ghose said a large number of political prisoners in the Alipore Central Jail stopped work on 15th February, and immediately went on hunger-strike. At present there were eighteen Division III and one Division II prisoners on hunger-strike. Their condition was satisfactory. The grievances relate to non-supply of writing material, newspapers and magazines as also complaints about diet and clothing privileges which are inadmissible owing to their being Division III prisoners.

24th. State-aid to Industries in Bengal :—A press note on the work done by the Industries Department in the Government of Bengal in 1932-33 was issued by the Government of Bengal. The most noticeable features of the work of this Department during this period were : The bringing into operation of the State Aid to Industries Act, and the inauguration of a scheme of economic reconstruction in order to attempt the solution of the problem of middle class unemployment. The new Stores Purchase Rules give the articles produced in Bengal by bona fide local industries a premium in the stores purchase programme of the Government and it goes without saying that these rules help in the industrial development of the province without any additional expenditure from public funds.

26th. Military Training for Bengali Youths :—Without any opposition the Bengal Council adopted the resolution of Rai Bahadur Keshab Chandra Banerji recommending to the Government "to convey to the Government of India and to His Majesty's Government in England that in the opinion of this Council early steps should be taken for giving military training to the people of Bengal so as to raise a permanent unit to form a part of the Indian Army."

27th. Indian Budget: Sir George Schuster presenting his budget for 1934-35 in the Assembly expects to close the current year, after providing 3 crores for Debt Redemption, with a surplus of 129 lakhs which is proposed to be transferred to a special fund for earth-quake relief. A deficit of 153 lakhs is anticipated and deficit is sought to be made up by imposition of new duties. It is proposed to impose an excise duty on sugar of Re. 1-5-0 per cwt, reduction of silver duty by 2 and half as per oz. which, by increasing imports, is expected to increase revenue by 4 lakhs; raising duty on raw tobacco from Rs. 2 to Rs. 2-6 per lb. and on cigarettes by levying Rs. 5-15 per thousand plus 25 per cent ad valorem. It is proposed to abolish the export duty on hides. Revision of postal rates is provided. It is proposed to lower the initial weight of inland letters by half a tola coupled with a reduction of the charge from 1 and one fourth anna to 1 anna. A remission of the extra pie per five pies embossed envelope increasing the charge on inland book packets from 6 pies to 9 pies, and provision for a 9 anna telegram of 8 words are also proposed.

Hili Raid Case Judgment:—Judgment in the Hili Station raid case was delivered by the Special Tribunal. Accused Prankrishna Chakrabarty, Satyabrata Chakrabarty, Saroj Kumar Basu and Hrishikesh Bhattacharyya were sentenced to death. Abdul Kader, Prafulla Sanyal and Kiran De were sentenced to transportation for life. Kalipada Sarkar, Ramkrishna Mandal and Haripada Basu were awarded 10 years' rigorous imprisonment each. The accused received the sentence calmly. Only seven days were allowed to file appeal. It may be remembered that on the early morning of October 28 last when three mail peons were receiving mail bags at the Hili Railway Station from the Up Darjeeling mail, about a dozen persons, mostly young men, armed with guns, revolvers and other deadly weapons fell upon them and looted the mail bags after injuring them with revolver shots. The raiders were also reported to have taken away a part of the cash from the station iron-safe. It was further alleged that the miscreants attempted to cut off the telephone and telegraph lines but on the Station Master opening fire they bolted away. One of the mail peons named Kalicharan Mali who received serious gun-shot injuries succumbed in the Campbell hospital, Calcutta, where he was removed for treatment. Charge sheet was submitted against 15 persons, two still absconding. Of these thirteen actually put on trial three who pleaded guilty were sentenced to two to 5 years' rigorous imprisonment each and one to 7 years' rigorous imprisonment.

28th. C. D. Convictions : Persons still in Jail :—Total number of convicted persons undergoing imprisonment under ordinary law, (both central and provincial acts which replaced Ordinance X of 1932) in connection with the Civil Disobedience Movement at the end of February last was 1664 as against 1890 at the end of January, showing a decline of 326. Number of prisoners, province by province, was as follows :—Bombay—744, Bengal—228, United Provinces—228, Punjab—48, Bihar and Orissa—133, Central Provinces—19, Assam—22, North-West Frontier—147, Delhi—7, Coorg—2, Ajmer-Merwara—9. Total number of these prisoners at the end of February 1933 was 13671.

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8th. Nazi Hero's Fling at Mahatma Gandhi :—“I shall never allow before me Gandhi being celebrated as a hero of freedom ; I consider him an anti-British Bolshevik agent in India. A while back I refused to receive a colleague of his, when someone at an accidental meeting wanted to present him to me.” This was how General Goering, who is one of Hitler’s henchmen, expressed the oft-reiterated Nazi antipathy to India in the course of a interview to a representative of the London “Daily Mail.” Referring to England General Goering stated : “We have no feelings against England. The English are near blood relations of Germans, a point to which we attach great attention.” And the fling at Mahatma Gandhi was made as if to prove this renewed brotherly love to their English cousins.

10th. Anti-Terrorist measure for Assam :—An Assam Gazette Extraordinary published contained provisions of the Assam Criminal Law Amendment Bill, 1934, which was introduced in the course of this session. The objects and reasons of the Bill stated that the pressure on the revolutionaries in Bengal had driven a number of them into Assam. The Bill provided for the trial of terrorist offenders by special tribunals appointed by the local Government, the Commissioners so appointed being empowered to dispense with the attendance of any refractory accused and to hold the trial in his absence. Section (16) of the Bill empowered the Government to put all manner of restrictions on the movement of political suspects as also their arrest or search with warrant.

Anti-Terrorist Bill passed :—The Bengal Council passed the Bengal Criminal Law Amendment Bill by 61 to 16 votes. There were altogether 265 amendments and almost all amendments were moved. Before the bill passed the third reading several non-official members offered final opposition to the pasage of the bill.

12th. Curfew order in Chittagong :—The District Magistrate, Chittagong, issued orders, under the Bengal Suppression of Terrorist Outrages Act, prohibiting Hindu and Bhadralok youths up to 25 years of villages within the jurisdiction of Sitakhund, Mirsarai and Hathazari police station from going out of their houses from sunset to sunrise.

24th. Sikhs and the Communal Award :—“That the Premier's Communal Award was a gross injustice to the Sikhs, and the sooner a campaign against its impracticability was started the better would it be” was the keynote of the speech delivered by Sirdar Kharak Singh, President of the Sikh National Conference, which met at Lahore. The President said that important concessions were given to the Moslems in the Award, and the rights and privileges of the Sikhs were totally ignored. He appealed to those present to face the difficulties they might encounter in the attainment of Swaraj.

25th. Sir Ashutosh Memorial Statue unveiled :—The statue of the late Sir Ashutosh Mukherjee was unveiled to-day by the Hon'ble Raja Sir Manmatha Nath Roy Chowdhury of Santosh at the Chowringhee corner of Chittaranjan Avenue, before a distinguished gathering of ladies and gentlemen. The statue was a beautiful full-size bronze one clothed in the robes of Vice-Chancellor, commanding the magnificent personality that was Sir Ashutosh's own. It was erected with funds obtained from two special International Football matches sponsored by the Raja of Santosh and played in 1924 and 1926 under the auspices of the I. F. A. and managed by a special representative committee formed under the aegis of the Eastern Bengal Club. The Calcutta University also made a substantial contribution. In unveiling the statue Sir Manmatha Nath paid glowing tributes to the versatile genius of Sir Ashutosh, specially as a great educationist and high priest of nationalism.

26th. Magistrate and policeman killed in rioting :—A serious rioting took place during the Mariamman festival at the Virasengapatti village near Trivadi resulting in the death of the Trivadi Sub-Magistrate, Mr. Nelliappa Mudaliar, and head constable Subramania Pillai, attached to the Trivadi Police Station and two other persons. Unlike in previous years an order under Section 144 was issued by the Second Class Magistrate of Trivadi, prohibiting devotees from resorting to hook-dragging of vehicles and hook-swinging. The trouble arose, when a section of the public including the Kalyanapuram villagers refused to obey the order. They persisted in hook-swinging, on the ground of fulfilling their vow. The Magistrate and the police insisted on the order being obeyed. People who got up the platform for hook-swinging were ordered to disperse. Stones were thrown on the police party and the Magistrate who ordered the police to open fire in self-defence. Two persons were killed by the firing but the pelting of stones increased and the Magistrate and the policemen took refuge in the temple. The mob rushed inside and the Magistrate and the policemen were beaten severely. The Sub-Magistrate died on the spot while a Head constable died at the hospital owing to the injuries received.

27th. Finance Bill passed in the Assembly :—The Assembly passed the Finance Bill, after a night sitting. During the debate on the third reading, Mr. Sitarama Raju pleaded for the withdrawal of repressive measures and the crea-

tion of a peaceful atmosphere which was very essential for the working of the future constitution. He complained that Madras had been milked dry to feed Bengal and Bombay. He protested against subsidising provincial deficits from Central revenue. He suggested prohibition of foreign imports and removal of export duty and control of provincial distribution regarding Burma rice if necessary by quota. Raja Bahadur Krishnamachari said that the Finance Member had not put forward any scheme for relieving rural indebtedness, for facilitating the marketing of agricultural products and checking rice imports. Mr. Mody drew the attention of the Government to trade diversion from Bombay and asked what the Government of India was doing in the matter. Mr. S. C. Mitra complained that troops marches in Bengal were nothing short of terrorising the people into submission of all kinds, and said that it would quickly undermine India's faith in British justice. Sir George Schuster replied to the points raised in the debate and the Bill was passed.

28th. Hindu-Muslim Clash in Cannanore :—It was reported that a serious rioting occurred between Hindus and Moslems, in Camp Bazar, Cannanore, as a result of Moslems' attempt to stop a procession of Hindus with music, going to Sri Sundareswarar Temple, where the annual festival was being held. Brickbats and soda bottles were freely used, resulting in serious injuries to both Hindus and Moslems. A party of armed police headed by the Deputy Superintendent, immediately arrived on the scene and pacified the mob and led the procession to the temple. A few policemen were also reported to have been injured. A Christian named James Harrison employed in the Commonwealth Trust died in the hospital.

29th. Loans to Indian States :—An issue of great constitutional importance was raised by Mr. S. C. Mitra in the Assembly, when Sir George Schuster moved for a supplementary grant in respect of loans and advances to the Indian States and provinces. Mr. Mitra asked why the Government had not provided for those items in the budget itself and questioned the Government's policy of lending money first and coming for sanction later. He wanted also full particulars of the loans, of the securities and the periods for which the loans were made. The President of the Assembly agreed with the importance of the issue raised by Mr. Mitra and said that the Government must be very careful in bringing out items under supplementary grants. He also suggested that the Standing Finance Committee must satisfy themselves that the placing of the supplementary grants was justified under the rules. Sir George Schuster said that this item was brought out under supplementary grants as it could not be foreseen at the time of drawing up the budget. Sir George assured the House that the Government of India were fully aware of their responsibility in the matter of granting loans to States and Provinces. Sir George then explained at great length the details of the loans to the States, after which the demand was passed.

31st. Federation of Indian Chambers of Commerce Meeting :—An attack on the repressive methods adopted by the Government was made by Mr. Nalini Ranjan Sarkar in course of his presidential address at the Annual General meeting of the Federation of Indian Chambers of Commerce. "The Government by their lack of vision and sympathy and the adoption of harsh and indefensible methods, may be adding fuel to the fire of national resentment, which might at any time blaze forth again into the terrible conflagration of revolution." Reviewing the political situation, he observed that the civil disobedience movement had not succeeded in bringing about the hoped for results, and said it was impossible to define the attitude of the commercial community towards the coming reforms unless they knew its exact character. "I do not think" he said, "that the time has yet arrived for the commercial community to make any immediate decision on the question of council-entry. Our readiness to go to the Council cannot be of any avail unless the country also decides upon such a policy."

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1st. Congress Leaders' Conference :—The Congress Leaders' Conference held at the residence of Dr. Ansari at Delhi on 1st and 2nd April, unanimously decided to revive the All-India Swarajya Party, which had ceased to function since the

Lahore Congress, as an effective political organisation under the auspices of the Congress. It was resolved to contest the forthcoming election to the Legislative Assembly and secure the election of the party's candidates on the following two issues : (a) to implement the country's mandate to get all repressive laws repealed ; (b) to reject the proposals contained in the White Paper and get them replaced by the National Demand on the lines indicated by Mr. Gandhi at the Round Table Conference. The conclusions of the Conference will be placed before Mr. Gandhi for his consideration and advice. The following official statement was issued after the Congress Leaders' Conference :—"The Conference reassembled at 9.30 a.m. to-day and resumed discussion. After an exhaustive examination of the present political situation in the country, the general opinion of the Conference was embodied in the following conclusions :—(1) In the opinion of this Conference the All-India Swaraj Party, which had been in abeyance, should be revived in order to enable Congressmen who are not offering individual civil resistance, to undertake thorough organisation of a constructive programme, as contemplated in Poona statements ; (2) In the opinion of this Conference it is imperative for the party to take up Government's challenge in relation to the forthcoming elections to the Legislative Assembly to secure elections of its candidates for the following issues : (a) To implement the country's mandate to get all repressive laws repealed ; (b) To reject proposals contained in the White Paper and get them replaced by the national demand on lines indicated by Mahatma Gandhi at the Round Table Conference so that the country may re-affirm its confidence in the Indian National Congress.

Plea for reform of Hindu Marriage Customs :—Courtship and divorce, picketing to prevent unequal marriages and boycott of husbands who desert their wives and re-marry were advocated at the Conference of Agarwal ladies held at Allahabad.

2nd. Muslim League and communal unity :—The Council of the All-India Muslim League, which held its sessions at New Delhi under the presidency of Mr. M. A. Jinnah, accepted the Communal Award so far as it goes until a substitute was agreed upon by the various communities in India and on that basis expressed their readiness for co-operation with other communities and parties to secure such future constitution for India as would be acceptable to the country.

3rd. Indian Insurance Conference :—The Second Indian Insurance Conference, held at Lahore, under the presidency of Sir P. C. Ray, urged the Government to take immediate steps to eliminate competition from foreign companies by making suitable amendments in the existing laws in this direction. The conference was of opinion that State insurance was likely to hamper private enterprise and pleaded for the abolition of Postal Insurance Fund.

7th. Mahatmaji's decision :—"Introspection prompted by the conversations with the Ashram inmates had led me to the conclusion that I must advise all Congressmen to suspend Civil Resistance for Swaraj as distinguished from specific grievances", said Mahatma Gandhi, in the course of a statement. "They should leave it to me alone. It should be resumed by others in my life-time only under my direction unless one arises claiming to know the science better than I do. Civil Resistance of many, grand as it has been in the result, has not touched the heart of the Terrorists or of the rulers as a class". In conclusion Gandhiji called upon the workers to devote their time in nation-building activities supporting Communal Unity and removal of Untouchability.

8th. Gandhiji's Approval :—The result of the discussions which Gandhiji had with the Congress leaders' deputation, regarding the Delhi decisions, is embodied in a letter addressed by Mahatmaji to Dr. Ansari. In the course of the letter, Gandhiji says that he welcomes the revival of the Swarajya Party and the decision to take part in the forthcoming elections to the Assembly. Regarding Council entry, Gandhiji says that his view remains the same as what they were in 1920, but he adds that it is the duty of every Congressman who does not want to take part in civil resistance and who has faith in Council entry to enter the legislatures and prosecute the programme which he believes to be in the

best interests of the country. Consistently with those views, Gandhiji says, he will be at the disposal of the Party and render "such assistance as it is in his power to give".

11th. States' Protection Bill Passed :—The Bill to protect the Administration of States in India, which are under the suzerainty of His Majesty, from activities which tend to subvert or to excite disaffection towards or to obstruct such administrations, as amended by the Select Committee, was passed by the Assembly by a majority of 57 votes as against 28.

13th. "The Communal Award, a great injustice to the Hindu community" :—At a meeting consisting of several Hindu members of the Hindu Maha Sabha Working Committee and a number of leading Hindu citizens of Delhi, held at New Delhi, the question of the impending election to the Legislative Assembly was discussed. The general consensus of opinion was "that the Communal Award constitutes a grave injustice to the Hindu community, and is a negation of all principles of democracy and its revision and cancellation thereof must be one of the principal items in the programme to be adopted at the next general election to the Legislature". Raja Bahadur Krishnamachari presided.

Future of the Democratic Swaraj Party :—Prominent members of the Democratic Swaraj Party from Bombay and Poona met at Poona under Mr. N. C. Kelkar's presidency and discussed the situation created by the Delhi decision followed by Mahatma Gandhi's statements and also the coalition or co-operation of their party with Congress Swarajists. After considerable discussion, it was decided to run the Democratic Swaraj Party as a separate entity but to work in close co-operation with the Congress Swarajists if an honourable compromise was available.

Release of Prisoners : India League Meeting :—A meeting of the India League was held in the House of Commons, under the presidency of Mr. David L. Grenfell, and was addressed by Prof. Harold Laski who, while repudiating sympathy with the policy of terrorism, condemned the special legislation passed and the methods adopted to deal with it in Bengal. Referring to the decision of Swarajists to contest the elections, Prof. Laski moved a comprehensive resolution urging the release of political prisoners and those detained without trial, repeal of legislation incorporating the Ordinances, removal of restrictions of the Press, free speech and freedom of assembly and holding of free elections without discriminating against the participants of civil disobedience. The resolution also protested against banning the report of the India League Delegation, and demanded unconditional release of Pandit Jawaharlal Nehru. The meeting agreed to the resolution and decided to send a deputation to the Secretary of State in order to bring the resolution to his notice.

16th. Govt. Won't Prevent A. I. C. C. Meeting Or Congress Session :—In the Assembly Sir Harry Haig announced that the Government would raise no obstacles to the meeting of the All-India Congress for ratifying Mr. Gandhi's new policy and that if, as a result, Civil Disobedience was called off the Government would review their policy with regard to Congress organisation and release of prisoners would be expedited. Further attempt by the "Associated Press" at the elucidation of the Government attitude regarding the Congress showed that at present neither the Congress nor the A. I. C. C. were declared illegal. The Government had only prevented their meeting. The Government will not now do so to enable these bodies to decide the issue of Civil Disobedience. The only Congress body, which was unlawful, was the Congress Working Committee. The Government did not propose to cancel the notification yet, but whether the Committee met formally or informally the Government would ignore the legal position and let the Committee meet. With the exception of Pandit Jawaharlal, Mr. Patel and Mr. Jairamdas, twelve members of the Working Committee were already outside the jail and had been meeting frequently.

18th. Poet's appeal to Government : Retention of prisoners not justified :—Dr. Rabindra Nath Tagore sent the following message to the "Associated Press" : "I am glad to read the Home Member's statement promising release of civil disobedience prisoners if calling off of the movement is ratified by Congress. For, any further retention of prisoners after ratification will be interpreted as showing a spirit

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of persecution not worthy of a Government that claims to be civilized. I hope the Viceroy's generosity will rise equal to the occasion and give Bengal detenus also a chance to appreciate the Government's good-will. I appeal to the Government to strive for that dignity which is based on its claim to appreciation of human values and not on its mere assertion of power."

19th. *Indo-Japanese Trade Treaty signed* :—The prolonged talks in connection with the formal drafting of the Indo-Japanese Commercial Treaty concluded satisfactorily. The two delegations met this afternoon formally in order to initial the Treaty. The Treaty was forwarded to London by air mail for formal diplomatic exchange. The Treaty merely reproduced the Agreement announced early in January.

23rd. *Punjab Sanatan Dharma Conference* :—Pandit Malaviya, delivering the presidential address of the Punjab Sanatan Dharma Conference, at Rawalpindi, said that untouchability, as practised, was never sanctioned by Vedas or Shastras. He pointed out that no untouchability existed in congregations, mlas, thirthas temples, etc., and added that every human being had a right to have a dharshan of the deity. Referring to the Bills at present before the Central Legislature, Pandit Malaviya emphatically declared that he opposed all those bills on principle and would exert every nerve for their withdrawal. He would not like to see any intervention on the part of the Government in religious matters. The Legislative Assembly constituted as it was, of Muslims, Christians, Parsis and others, had no right to pass any bill regarding temple-entry. He appealed to Sanatanists to work for the betterment of the oppressed and Depressed Classes but struck a note of warning to too zealous reformers not to use compulsion in the matter of temple-entry by untouchables and not to commit anything likely to injure the feelings of the orthodox among the Sanatanists.

Bombay Textile Strike Starts :—The long-threatened textile strike commenced on a restricted scale with the sounding of mill sirens at 7 a.m. in the morning. Arrangements for demonstrations and picketing the mill-gates were made on an elaborate scale by the Strike Committee. Mr. Nimbkar, General Secretary to the "Council of Action," informed the "United Press" that 99 per cent of the textile workers were united on the strike issue and will fight to the last for a minimum period of three months. Further support to the general strike was given by the Bombay Provincial Trade Union Conference, which met at Lalbaugh under the presidency of Mr. Rajani Mukherjee, who said, "Out of 1,50,000 textile workers of Bombay, 40,000 were already unemployed. The general strike will affect about a lakh of workers. We are aware of the gravity of the situation. We may fail, but we will venture." Elaborate police precaution in the mill areas were in evidence.

24th. *Death of Sir Sankaram Nair* :—Sir C. Sankaram Nair passed away to-day after a short illness. He was born in 1857 and was one of the oldest public men of India; his public life was active and varied—as a Executive Council Member and a keen social reformer.

Bombay Textile Strike :—The strike situation took a somewhat ugly turn this morning when labour leaders defied the public ban. Processions broke the police cordon, upon which thirteen leaders, including Miss Mani Ben Kara, were arrested. The processionists were dispersed and the strikers resorted to stone throwing. Eighteen mills were closed to-day, involving 20,000 workers.

25th. *Bombay Textile Strike continued* :—The situation with regard to the mill strike had definitely taken a turn for the worse since the morning. Practically all the mills, excepting about ten, remained closed, thus swelling the ranks of strikers. Out of 51 mills, only about ten were working, with a considerably depleted complement, some of which are expected to close down during the course of the day. Some mills were also closed owing to the Moharram festival. The total number of strikers this morning had gone beyond 50,000. There had been numerous instances of stone throwing and stray assaults. A very serious situation developed at Lalbagh at about 9.30 in the morning, when after a mass meeting the strikers took out a procession, defied police orders and marched forward breaking through the police cordon. A lathi charge was made and the demonstrators were dispersed, whereupon they indulged in repeated stone throwing at

the police force for about fifteen minutes : The atmosphere was tense. Police reinforcements arrived on the spot, including a squad of armed police. Mr. Smith, the Police Commissioner and his deputies arrived on the scene and watched the developments.

Stones hurled at Mahatmaji's Car :—The Sanatanist antics which had been in evidence since Mahatmaji started on his South Bihar tour reached their climax at Buxar on Wednesday afternoon and Jesidih early on Thursday morning. At Buxar three volunteers of the Reform party were injured, while at Jesidih a stone was hurled at the motor car in which Mahatmaji was travelling, which broke the glass pane at the back of the car and pieces of glass fell near the Mahatma. He was, however, not injured. At the public meeting at Deoghar, which Mahatmaji addressed on Thursday morning, several Sanatanists again made successful attempts to create a disturbance. In a statement which he made to the "Associated Press", Mahatmaji gave a vivid account of the incidents, and suggested to the Sanatanists that "the Sanatan Dharma will be ill-served by vulgarity and violence." "The whole of this agitation," said Mahatmaji, "against the Reformers, managed by a few hot-headed men, I fear, backed by influence behind the curtain wholly unnecessary."

27th. Bombay Mill Strike : Police open fire :—The police opened fire to disperse the threatening unruly mob of about a thousand strikers, who stoned the Diwijaye Mills, situated near Lalbag, when the mill management attempted to restart the work at about eleven in the morning. The strikers assembled on the three sides of the mill and assaulted the loyal workers, who wanted to go in and work. A party of police stationed in front of the mill made repeated lathi charges, but the crowd retaliated by hurling stones and other missiles at the police, as a result of which five constables were injured. The police officer in charge, finding that the situation was getting out of control, fired one round from his revolver, which had the desired effect and the crowd melted away. None was injured as a result of the firing, but several strikers sustained injuries on account of the lathi charge. Police reinforcements were rushed to the scene and the situation afterwards became quiet. A later message stated that the police opened fire second time to-day on a riotous mob near the textile mill on Delisle Road. Several rounds were fired as a result of which, it was believed, one was killed and four others wounded. The trouble started when workers returning home were attacked by strikers. Another report stated that only three had been sent to hospital with bullet wounds, none being killed.

28th. Frontier Hindus' Conference :—The Frontier Punjab and Sind Hindus' Conference was held at Peshawar. Pandit Malaviya, Bhai Parmanand and prominent Frontier Muslims were among the distinguished visitors present. Raja Narendranath, who presided, in his address, dwelt on the grievances of Hindus in the Frontier Province. Opposition to the White Paper, Communal Award, separation of Sind, expunging untouchability, demand for an Assembly Committee of Hindu members, triennially to scrutinise the working of the Frontier Government and see whether Hindu interests are properly safeguarded, adoption of joint electorates, due shares of the Hindu minority in the administration of the Frontier and representation in future Cabinet were urged by the conference.

Bombay Mill Strike :—What was described in Labour circle as a roundup of strike leaders and a blow dealt to the entire organisation of the strikers took place shortly before noon to-day when Mr. Nimbkar, Organising Secretary of the "Council of Action" and President of the Girni Kamgar Union, was arrested in connection with a speech delivered near Century Mills on April 23 last in the course of which he was alleged to have incited the workers to resort to violent methods. Thus with the arrest of Mr. Nimbkar, Miss Mani Ben Kara and Messrs. Menon, Kondivikar and A. N. Shetty, majority of the front rank leaders were removed from the field. This time all of them were arrested for non-bailable offences. Nonetheless, the strike position was considerably strengthened.

30th. Chittagong Magistrate's Circular to Headmasters :—The District Magistrate, Chittagong, issued, it was believed, a general circular letter to Secretaries and Headmasters of High Schools in Chittagong requiring them to investigate the

causes for the absence of boys from schools even for a single day and report the matter to him if any boy was found to be away from home. The circular also asked them not to grant transfer certificates or admit boys into a school which was more than three miles from his village home, without referring the matter to the District Magistrate. The letter added that failure to take the above action would be neglect of duty on the part of school authorities, which was bound to result in more youth becoming victims of Terrorist organisations.

MAY 1934

1st. Pt. Malaviya on Hindu-Moslem unity :—Addressing a public meeting at Peshawar, Pandit Malaviya said that Hindu-Moslem unity was the chief weapon for the attainment of early freedom and emphasised the importance of industrial development and encouragement of Swadeshi.

2nd. The Ranchi Swarajist Conference :—About a hundred Congressmen representing all the provinces met at Ranchi on 2nd and 3rd May in order to implement the decision of the Delhi Conference. Messages of sympathy from leaders who were unable to attend the Conference were read at the Conference, Dr. M. A. Ansari presided. Dr. Ansari, welcoming the delegates, referred to the reasons for the revival of the Swarajya Party and said that the object of the Conference was to formulate the programme and policy of the Swarajya Party, with a view to placing them before the A. I. C. C. for its approval. For the present, Dr. Ansari said, the party should concentrate just on one front, namely, the dual policy of the Government. They must, on behalf of the Congress, supply an effective reply to the repressive policy of the Government and register the country's verdict against the White Paper proposals. Chowdhry Kaliquazzaman next moved that the Conference do approve of the Delhi Conference resolutions reviving the Swarajya Party and contesting of the Assembly elections. Mr. K. F. Nariman opposed the resolution. He questioned the validity of the resolution in the face of the Lahore Congress's decision banning Council-entry. He moved an amendment which said that the item about Assembly-entry should come after the approval and sanction of the plenary session of the Congress. Mr. Nariman's amendment was defeated, only four voting for it. Dr. B. C. Roy then moved the adoption of the Party's constitution. He said that on all broad policies the party would be guided by the Congress organisation. For all practical purposes, the proposed constitution was the same as the original party's constitution with such changes as suited the exigencies of the present situation. The constitution was adopted. A resolution, which required the A. I. C. C.'s approval for giving effect to the resolutions adopted by the Conference, was moved by Mr. T. C. Goswami and was agreed to. Another resolution relating to the White Paper and the Communal Award was moved by Mr. Bulabhai Desai. It stated that the Conference was of opinion that the White Paper proposals were not only a negation of the National Demand made by Mr. Gandhi at the Second Round Table Conference but calculated to perpetuate the political subjection and economic exploitation of the Indian people. The Conference claimed for India the right of self-determination, and favoured the summoning of a Constituent Assembly representative of all the sections of the Indian people to frame an acceptable constitution. Regarding the Communal Award, the Conference was of opinion that a consideration of the acceptance or rejection of the mode and proportion of representation as contained in the Award might be taken up after the Constituent Assembly was convened.

7th. Police open fire at Muzaffarpur village :—The police had to open fire on a Hindu mob about 25,000 strong in village Bairanga in the district of Muzaffarpur, where considerable Hindu-Moslem tension had been prevailing since Saturday last. No casualty was reported so far. The trouble was alleged to have originated as the result of highhandedness displayed by some butchers of village Akhta, who

snatched away a number of cows while these were being taken to the pastures for grazing. Local Hindus protesting against this action of the butchers, the latter were reported to have let the cows go on Sunday evening after mercilessly heating them. It was alleged this was resented by the Hindu villagers. Both sides were mobilising their forces since then and a clash appeared imminent. On receipt of this information a strong contingent of police force was drafted to control the situation. On Monday afternoon, however, a Hindu mob numbering not less than 25,000 assembled at the outskirts of village Akhta, where the alleged offending butchers resided. They were prevented by the police force from entering the village, but the mob appeared to be in no mood to pay heed to these orders. As the situation threatened to get out of control, fire was opened with a view to disperse them.

8th. Bengal Governor shot at:—His Excellency Sir John Anderson, Governor of Bengal, was shot at just after the finish of the race for the Governor's Cup at Lebong. Several shots were fired at close range at His Excellency as he sat in the box but neither the Governor nor any one in his party was hit. Two of the alleged assailants with revolvers in hand were immediately arrested. Both were believed to be residents of the Dacca district.

Gandhiji condemns violence :—Gandhiji condemned the attempt on the life of H. E. Sir John Anderson, in an interview to the press. "Every minute of life's experience," said M. Gandhi, "further confirms me in the belief which I hold that non-violence is the only remedy for all ills of life, to deal with which violence is practised to-day. It is a great tragedy that some young men will not see that there is no short cut to deliverance from evils."

9th. No need for a new party :—Pandit Malaviya, in the course of a statement to the press regarding the formation of the Swaraj Party, said that he had "grave doubts about the wisdom of forming the Swaraj Party, as a party distinct from the Congress". Malaviyaji asked what would be the work of the Congress in future now that Mahatma Gandhi had recommended the suspension of civil disobedience and which suggestion was sure to be approved by the A.I.C.C.? He said that the resolutions which the Swarajist Conference at Ranchi adopted included a great part of the activities which the Congress had prescribed for itself. And if the new party was to carry on all these activities what would be the work of the Congress, he asked. The Congress will support the council-entry programme, said the Pandit, and hence there was no need for a new party, as distinct from the Congress. Pandit Malaviya stressed the need for holding a special session of the Congress so that its influence among the people might be revived and the condemnation of the White Paper and the reiteration of the national demand might make a greater impression in England.

Lebong Shooting Outrage : Calcutta Corporation's Abhorrence :—The Calcutta Corporation at its meeting adopted a resolution recording "their deep sense of horror at and their unqualified condemnation of the dastardly attempt on the life of His Excellency the Governor of Bengal," and tendering "their sincere congratulations to His Excellency on his miraculous and providential escape." As a mark of rejoicing at His Excellency's providential escape the Corporation adjourned its business for the day. In order to give a more definite and concrete proof of their abhorrence of the outrage and as a mark of rejoicing, the House further decided to declare a holiday in the Corporation offices and institutions to-day. The Mayor intimated that he had already sent a message to His Excellency on behalf of the citizens of Calcutta conveying their sincere congratulations on his providential escape.

13th. Gandhiji to complete his tour on foot :—Gandhiji decided, and accordingly began, the remaining portion of his Harijan tour on foot. In a message to the villagers of Ganjam, Gandhiji said that he had adopted the ancient and simple method of walking in order to demonstrate as far as it is possible the religious character of the mission. By walking to a few villages, he said he would be walking spiritually to all villages. Spiritual messages, he added, were better delivered through the natural methods of locomotion.

14th. Riot in E. I. Railway Office :—Rioting occurred at the office of the Colliery Manager, Serampore, in the East Indian Railway coalfield, Giridih. Rioters

attacked the office and burned motor cars. The police had to fire and killed two men. Rioters were dispersed and order restored at once. Enquiries showed that a gang of coolies assaulted Mr. Lancaster, Manager and burned three motor cars belonging to the coalfield. The Deputy Commissioner of Hazaribagh and the Superintendent of Police hastened to the place and as the situation appeared uncontrollable, firing was ordered. Two of the coolies were killed while two others were wounded. There were about 900 coolies employed in the coalfield and it was alleged that they were dissatisfied over the question of wages. A reinforcement of armed police was despatched to the scene of occurrence.

15th. First Socialist Conference :—Acharya Narendra Dev, Principal, Kashi Vidya-pith, in his presidential address to the first Socialist Conference, said that he favoured an early special session of the Congress, because the present members of the A. I. C. C. did not represent the country as they were elected in 1931. He did not think that they would be justified in insisting that the question of council entry would be considered only by a full Congress session. Defining the Socialist attitude towards the Swaraj Party, he opposed its autonomous existence, as he feared that "deprived of healthy influences of the Congress the Swarajist organization will in course of time become a pucca constitutional reformist body and will develop a mentality which will run counter to the revolutionary policy of the Congress. "The policy adumbrated by the new party," continued Acharya Narendra Dev, "is quite different from that of late Mr. Das and Pandit Nehru. They had outlined a policy of consistent opposition from within legislatures and were against acceptance of offices. The new Swaraj Party has not enunciated any such policy. It is admittedly a reformist body. It has no obstructive tactics to its credit and the constituent assembly, which they propose, to formulate the national demand, seems only another edition of the liqui-dated All Parties Conference."

16th. Muslim Unity Board's Support for Swarajists :—The Muslim Unity Board which met at Lucknow welcomed the announcement advising the withdrawal of the civil disobedience movement and approved of the revival of the Swaraj Party with its programme as outlined at the Ranchi meeting. The Board deprecated all agitation to get the Communal Award modified by the British Government.

18th. All-India Congress Committee's decisions :—The All-India Congress Committee met at Patna on May 18 and 19, under the presidentship of Pandit Malaviya. After resolutions paying tributes to the departed leaders, Dr. Ansari moved the resolution accepting Mahatma Gandhi's recommendation in regard to the suspension of Civil Disobedience. The resolution was seconded by Babu Rajendra Prasad. Pandit Malaviya then explained the implications of the resolution to several interrogators. Many amendments were moved but all of them were defeated by overwhelming majorities. Mahatma Gandhi moved the resolution regarding council-entry. The resolution stated that as there was a vast body of members in the Congress who believed in the necessity of entry into the legislatures as a step in the country's progress towards its goal, a Parliamentary Board consisting of not more than 23 Congressmen with Dr. M. A. Ansari as President be formed by Pandit Malaviya and Dr. Ansari. The Board was to conduct the elections to the legislatures on behalf of the Congress and shall have power to raise and administer funds for carrying its duties. The Board shall be subject to the control of the All India Congress Committee and shall have power to frame its constitution and make rules and regulations for carrying on its work. The Board must elect only such candidates as will be pledged to carry out in the legislatures the Congress policy as it will be determined from time to time. Moving the resolution, Gandhiji said that though he was opposed to council-entry he was letting Congressmen to contest the elections because those Congressmen, without such work, would be unoccupied from the Congress' point of view. He also pleaded that all should not follow the Council-entry programme. Mr. Aney seconded the resolution. Many amendments, which were aimed at stiffening of the Council-entry programme were moved and speaker after speaker urged the Committee to throw out the resolution. Mahatma Gandhi's reply to the debate, which took him more than an hour, enabled him to defeat all the amendments against his motion. The original resolution was carried.

21st. Dr. Ansari's Appeal :—Dr. M. A. Ansari, in the course of a statement to the press, appealed to all sections of the Congress and to the entire country to lend all possible assistance to the Parliamentary Board set up by the A. I. C. C. to enable it to fulfil the duties with which it is charged. It is incumbent on all Congressmen, he says, to help it to vindicate the honour of the Congress. Dr. Ansari further points out that every Congress candidate for the Assembly will have considerable opportunities for carrying the message of the Congress and stimulating constructive work in the constituency.

22nd. Congress purely a Hindu Body :—A strong indictment of the Congress as a communal body was made by Khan Bahadur Haji Rahim Bux, Working Secretary of the All-India Moslem Conference, in a statement to the Press on the recent political developments. The Khan Bahadur drew the attention of the Nationalist Moslems to the fact that notwithstanding their full support and sacrifices, the Congress had remained and would always remain a purely Hindu body and that Purna Swaraj of its dreams was no better than Hindu Raj.

23rd. Bombay Mill-owners' Association :—Presiding over the annual general meeting of the Bombay Millowners' Association, Mr. H. P. Mody justified the attitude of the mill-owners towards the present textile strike and asserted that they had done everything to better the conditions of workers and would continue to do so, but would not give in to the strikers who stopped work without notice. He hoped that good sense would soon assert itself and that the city and the textile industry would be spared the disaster with which they were threatened through the prolongation of the strike. Mr. Mody justified the Indo-Lancashire Pact and said that, despite all criticisms, he had been left unconvinced. He hoped that good sense would soon assert itself and that the city and the textile industry would be spared the disaster with which they were threatened through the prolongation of the strike. Mr. Mody justified the Indo-Lancashire Pact and said that, despite all criticisms, he had been left unconvinced. He hoped that the day was not distant when Great Britain would rank as a very important customer of Indian cotton. Referring to the Indo-Japanese Agreement, he hoped that it would be honoured both in letter and spirit.

Police open fire on Bombay Strikers :—Police opened fire at 11-15 to-night on a riotous mob of strikers. It appeared that strikers about one thousand in number were returning from Azad maidan where they held a celebration over the completion of one month's strike. While they were returning to the mill area they insisted on passing through a prohibited route but the police cordoned and stopped them. Strikers thereupon sat down on the road and all the Deputy Commissioners were summoned to the spot. Persuasion failing, the police, it was reported, charged them as a result of which ten persons were injured. Thereupon the police were attacked with brickbats and flower-pots from adjoining houses. Warning having failed the police opened fire with revolvers and rifles. It was understood that about fifty rounds were fired as a result of which six persons were injured. Even after the firing, attack on the police was made with stones and brickbats from bye-lanes and adjoining house-tops—but they were able to disperse the crowd.

24th. Extension of the Terrorist Suppression Act to Darjeeling :—The Bengal Government notified that they have extended certain provisions of the Bengal Suppression of Terrorist Outrages Act to Darjeeling district. The movements of Hindus of either sex between the ages of fourteen and twenty-five, who were not ordinarily the residents of the district, were restricted. Hindus, other than hillmen, between the ages of fourteen or twenty five who were residents of the Darjeeling district were required to provide themselves with identity cards.

29th. Bengal Governments' Drive Against Terrorism: Revival of Cottage Industries :—The Government of Bengal decided on an intensive drive against terrorism. The campaign had already been in progress for some time but a concerted and systematic action were taken now to create an atmosphere in the province in which terrorism may find no more recruits. An intensive propaganda will be made through shows, lectures, pamphlets, demonstrations, etc. to expose the evils and futility of terroristic methods. Any help given by non-official agencies in this direction will be readily availed of and when there are no such agencies, local officers will encourage their formation. Vigorous

action on these lines were taken in many districts notably at Chittagong, Mymensingh, Dacca, Midnapore, Tippera and Bakarganj, the districts where terrorism was more rampant than elsewhere. Village Committees and committees of parents and guardians were being formed in many places by non-officials and officials to mobilize public opinion against terrorism, to make it impossible for terrorists and absconders to infest the localities where they were formed and to advise the local officers in their fight against terrorism. In this drive against terrorism, the services of school teachers were being utilized and they were being requested to keep an eye upon their boys both inside and outside the school hours and to act in close co-operation with the parents and guardians so that they might not fall into undesirable company. In Chittagong the District Magistrate required the Head Masters not to admit students into schools three miles away from their houses without reference to the Magistrate and to bring to the notice of his guardian as soon as boy was found absent from school and if the boy was found absent from home as well to report the absence to the Magistrate. It was recognised that unemployment furnished a good recruiting ground for terrorism and accordingly Government had before them schemes for relieving unemployment through revival of cottage industries. It was also felt that now there was considerable enthusiasm amongst the people to do constructive work for the country, good use should be made of this enthusiasm. Government were ready with a programme of constructive work which they were pushing through and hoped that the young men who have an inclination for this kind of work will find scope for their patriotic instincts in this programme.

30th. Liberals and the Congress:—While welcoming the decisions of the All India Congress Committee to suspend civil disobedience and to enter the legislatures, Sir Chimanlal Setalvad and Sir Cowasjee Jehangir (junior) in the course of a joint statement said that there were still fundamental differences between the Liberals and the Congress. Liberals, though yielding to none in their desire to secure for their country the largest measure of freedom, were firmly convinced that India's efforts would be better served by becoming a free country within the Empire than by Independence which was the declared goal of the Congress. In conclusion, they appealed to all parties and communities in the country to make a determined effort to solve the communal problem.

Dr. B. C. Ray on the lack of official response :—Dr. Bidhan Chandra Ray, in the course of an interview to "The Hindu" regarding the attitude of the Government of India to the Patna decisions, said that "lack of statesmanship was never so distressingly pronounced as it is to-day in the Government". He condemned the vacillation of the Government in not yet removing the ban on the Congress organisations even though the Congress had abandoned civil disobedience. He added that to keep the civil disobedience prisoners still in jail was unfair.

Police raid Trade Union Office at Calcutta :—The office of the Bengal branch of the All India Trade Union Congress at Calcutta was raided by the police and all literature relating to Trade Union movement were seized. The office itself was locked up by the police. The police also searched the house of Dr. C. Banerjee, the President of the Bengal branch of the Congress Socialist Party, and seized several copies of the manifestoes relating to the All India Trade Union Congress and All India Congress Socialist Party.

JUNE 1934

6th. Drive against Terrorism :—A public meeting was held at Calcutta in which all parties united to condemn the recent outrage on H.E. the Governor of Bengal and to devise ways and means to put down terrorism. The Maharaja of Mymensingh, presiding, stressed the need for propaganda, both on the platform and through the press. Mr. Krishna Kumar Mitra, asked the conference to regulate and control the public opinion which, he declared, fed terrorism. Mr. T. C. Goswami appealed for co-operation between the Government and popular leaders. Mr. W. W. K. Page, President of the European Association of India, advised the conference to take into its confidence the leaders of mofussil districts affected by the terrorist organisation. The conference, after passing resolutions,

appointed a working committee, representative of the various political and commercial interests to give effect to the resolutions.

Terrorist Movement not a Hindu Movement :—Kumar H. K. Mitter, prominent Bengal landholder, speaking at the British India Association, Calcutta, disagreed with the view advanced by H. E the Governor of Bengal in his St. Andrew's Day dinner speech that the terrorist movement was a Hindu movement. The Hindus were not as a community concerned in the movement, he declared. He said that the campaign against terrorism could be successful only if the sources of its sustenance and strength were found out. He admitted that repressive laws could kill only the symptoms while the main problem was to get to the root of the disease and remove the virus.

Ban on Congress organisations lifted :—A Government of India communiqué stated that in view of the fact that civil disobedience has formally been discontinued and that, as a practical policy under the present conditions, it may be regarded as having already ceased to exist, the Government of India have decided, in consultation with Local Governments, that notifications declaring various constituent parts of the Congress organisation unlawful should be withdrawn. At the same time, the Government wish to make it clear that the special laws passed by the Central and Provincial Legislatures will continue in force. Further if the Congress as a whole or any of its branches pursue activities which are in prejudice of law or indicate any intention to revive civil disobedience in any form, the Government will not hesitate to reinforce the notifications which are being withdrawn. The Local Government will not withdraw the notifications against many revolutionary organisations which were distinct from the Congress though working in more or less close association with its objects during the course of the civil disobedience movement. In accordance with this policy, the notifications against the "Red Shirt" organisation shall continue in force. The general policy of expediting the release of civil disobedience prisoners which has been pursued for some time past will be continued by the local Governments in the light of local conditions.

7th. Liberals Warn Britain :—Sir Chimanlal Setalvad, speaking at the annual general meeting of the Western India Liberal Association at Bombay, warned the British Government that if the White Paper proposals were not substantially improved Britain would lose her trade in India and the goodwill of the people. He complained of inordinate delay in deciding upon the reforms and naturally the Indian people were losing faith in the sincerity of the British Government. The White Paper proposals, he said, had not satisfied and would not satisfy any section of the Indian people. He urged substantial modifications of the proposals ensuring the attainment, within a reasonably short time, of the complete control by Indians of their own affairs.

11th. Mail robbery in train :—A daring mail robbery was committed on the night between Tinsukia and Charali stations on the Assam Bengal Railway in the Down Assam Mail. The miscreants, it was alleged, stopped the train by pulling the alarm chain and, entering the mail van, overawed the mail sorters at the point of revolvers and decamped with a mail bag containing insured articles worth about Rs. 4,000. Five arrests were made at Tinsukia. One revolver and some of the contents of the looted mail were reported to have been recovered from the house of one of the arrested persons.

17th. Congress and the Communal Award :—The Working Committee of the Congress approved of the recommendations of the Congress Parliamentary Board in respect of the election manifesto, constitution and rules of the Parliamentary Board. As regards the Communal Award, the Working Committee, in the course of statement, said that as the different communities in the country were sharply divided on the question the Congress, which claimed to represent all communities composing the Indian nation, can neither accept nor reject the Communal Award as long as a division of opinion lasts. At the same time, no solution to the communal question which was not national could be propounded by the Congress, but the Congress was pledged to accept any solution which was agreed to by all parties concerned. Judged by the national standard, the Award was wholly unsatisfactory.

24th. Rioting in Rampur :—A serious riot occurred at Rampur in which the police opened fire resulting in the death of one of the rioters and injuries to thirteen

persons. It appeared that a huge mob consisting of a large number of unemployed persons from the city attacked the police station, broke open the lock-up and set free five of their comrades who were arrested earlier and imprisoned. On the arrival of the police party under the Deputy Inspector General of police, the mob attacked them, as a result of which some members of the police party and the Dy. Inspector General were injured. The police opened fire with the result stated above. The military were then called out who restored quiet.

25th. Gandhiji's narrow escape :—A bomb was thrown on what the assailant believed was the car containing Gandhiji on his way to the Municipal building, Poona, to receive an address. Seven persons, including the Chief Officer of the Municipality and two constables who were in the car, were injured. Gandhiji, who was following in another car narrowly escaped. He received the address and the purse. Five persons were detained on suspicion. Gandhiji, in the course of a statement, said that the unfortunate incident had undoubtedly advanced the Harijan cause. He advised Sanatanist friends to control the language that was being used by speakers and writers claiming to speak on their behalf. Gandhiji asked the reformers not to be incensed against the bomb-thrower, but to redouble their efforts to rid the country of untouchability. The following is the text of Mahatma Gandhi's statement after the bomb outrage :— "I have had so many narrow escapes in my life that this newest one does not surprise me. God be thanked that none was fatally injured by the bomb and I hope, those, who were more or less seriously injured, will be soon discharged from the hospital. I cannot believe that any sane Sanatanist could ever encourage the insane act that was perpetrated this evening. But I would like the Sanatanist friends to control the language that is being used by the speakers and writers claiming to speak on their behalf. The sorrowful incident has undoubtedly advanced the Harijan cause. It is easy to see causes prosper by martyrdom of those who stand for them. I am not aching for martyrdom, but if it comes my way in the prosecution of what I consider to be the supreme duty in defence of the faith I hold in common with millions of Hindus, I shall have well earned it and it will be possible for the historians of the future to say that the vow that I had taken before the Harijans but I would, if need be, die in the attempt to remove untouchability was literally fulfilled. Let those, who grudge me what yet remains to me on this earthly existence, know that it is the easiest thing to do with my body. Why then put in jeopardy many innocent lives in order to take mine, which they hold to be sinful? What would the world have said of us if the bomb had dropped on me and party which included my wife and three girls, who are as dear to me as daughters and are entrusted to me by their parents? I am sure that no harm to them could have been intended by the bomb-thrower. I have nothing but deep pity for the unknown thrower of the bomb. If I had my way, if the bomb-thrower was known, I should certainly ask for his discharge even as I did in South Africa in the case of those, who successfully assaulted me. Let the reformers not be incensed against the bomb-thrower or those who may be behind him. What I should like them to do is to redouble their effort to rid the country of the deadly evil of untouchability.

28th. Poona Bomb outrage condemned :—Two public meetings were held at Delhi to condemn the Poona bomb outrage. One was held under the auspices of the Sanatana Dharma Sabha and the other under the Delhi District Congress Committee. Resolutions were passed by both the meetings condemning the outrage and congratulating Gandhiji on his providential escape. The Sanatanists said that it was a blot on Sanatana Dharma and not sanctioned by it. The Delhi Municipal Committee also, at its weekly meeting, condemned the outrage.

29th. Inauguration of Congress Election Campaign :—The election campaign of the Congress Parliamentary Board was inaugurated in Bombay at a meeting held under the presidentship of Mrs. Sarojini Naidu. Mr. Satyamurti opened the campaign asking the audience to make their choice between Swaraj or slavery, communalism or nationalism. Justifying the council-entry programme of the Congress, Mr. Satyamurti announced that the Congress Parliamentary Board had decided to capture all councils and local bodies and thus create a new force which would compel the Government to concede the demand for a constituent assembly.

INDIA IN HOME POLITY

JANUARY—JUNE 1934

I. THE YEAR OUT

The bells ringing out the year 1933 had awakened no pleasant echoes of hopes fulfilled; nor did the bells ring in the New Year in cheering notes of happy expectations. The reality of world affairs had been and was still such that nobody would be tempted to put on rose-coloured spectacles to look at what was ahead. The Manchurian war in the Far East, the Bank crisis in America, the Nazi movement in Germany involving as it did racial megalomania, were some of the eruptions of a volcano of seething world-unrest in the crater-cauldron of which the entire structure of civilisation felt as if it were in a melting pot. World economics was still not only in a welter of unprecedented depression, but in an abyss of unredeemable confusion. No crane, no pulley of human device was felt to be strong enough and sure enough to lift the load of submerged values and sunken hopes. The World Economic Conference had arranged spectacular salvage operations, but whilst these brought up heaps of "submarine" rubbish they could show but precious little of what might prove of earthly good. The Disarmament Conferences tended not to disarm but doubly arm mutual distrust of nations. Germany and Japan and Soviet Russia were still, virtually, out of the League of Nations. U. S. A. had not been willing to join what had been one of the fondest and wildest dreams of President Wilson—an international instrument that should make democracy safe for all time. Italy was still in the League, but she was a "sulking" member. Signor Mussolini in Italy and Herr Hitler in Germany bothered but little about the League and cared even less for democracy. The setting sun of the League prestige lengthened the shadows of France and England, and their shadows dominated the entire aspect of international situation, in so far at least it was circumscribed by the League horizon. Mr. Lloyd George, one of the arch actors in the war and post-war drama, thus summed up the position in a recent string of wizard phrases which, however, were not wide of the truth: "Mankind is getting gradually nearer the brink, year by year, revolution by revolution, conference by conference, and it is near enough to singe its wings." Primeval Night seemed to be creeping over earth.

II. THE CONGRESS SPIRIT

Nor was the Indian firmament relieved by a single blue, sunny spot. The Congress offensive of civil disobedience, both mass and individual, was practically "broken", which, however, did not mean that Congress itself was dead or dying. The failure of the Congress offensive was not followed by genuine peace or even by any widely felt sense of relief.

As we have explained in our previous Introduction, the Indian political situation was brought under control by forces acting not under "normal temperature and pressure" as we say in Physics, but under conditions of both abnormal temperature and pressure. The Congress offensive which disappeared or nearly disappeared as a kinetic factor was simply repressed into a latent potential form which, from the Government point of view, should have been appreciated as more rather than less dangerous. Any statesman, of Whitehall or Simla, who would lay the flattering unction to his soul that the Congress had broken its backbone and would not be able, at least in the near future, to stand erect again, was surely living in a fool's paradise. The Congress spirit which represented the growing determination of the gradually forming Indian nation to be the master of its own destiny, and to implement that determination by creating sanctions sufficient unto the purpose, could, obviously, never be crushed. That spirit might of course vary its form and also the mode of its function from time to time. In other words, it might change its policy and plan suitably to the conditions and circumstances of its actual function. So a campaign of non-co-operation and boycott might be followed by a spell of Swarajist "obstruction" from within the Assembly and the Councils; and mass civil disobedience might be followed by a "sweeping the polls." The important thing to note is whether it is still vital and still virile in its changed function. If it be so, and to the extent it is so, it still remains a power, for good or for evil, to reckon with. Its late defeat in that case is no index and no guarantee of its future discomfiture. On the contrary, the very fact that it can fight equally well with constitutional and unconstitutional weapons, that it can carry large masses both in non-cooperation and in election, that it can swamp the jails as well the Councils, is a fact which ought to be appreciated in its correct proportions and dimensions. One may not like some of its forms and methods, but there is no denying the fact that like the fabled Phoenix it bears a mysterious life formula which is not only beyond human ken but also beyond human contrivance.

III. "SPLIT AND FACTIONS"

The fact that the Congress had been showing a tendency to 'split' in too many 'factions' was also to be appreciated for what it was really worth. The 'splitting' was quite a natural and normal process, and the 'factions' equally natural and normal products thereof. A Right Wing, a Left Wing and a Centre would be the natural morphology of any big, vital organisation. Where such a morphology of diverse views and tendencies is not given or not articulate in an organisation, we are to infer three things. First, that the organisation in question is still an amorphous mass which awaits being informed into the definite pattern of a living body. Or that it has disintegrated and degenerated into an amorphous mass after having functioned as a living pattern presenting a diversity of organisation. In other words, that it is now a dead and decomposing body. Or lastly, that it may be, for the time being, "possessed" by a single influence, whether of an individual or of a group, which suspends the normal and legitimate working of all the

diverse "limbs", and in single sovereignty "runs the whole show". In other words, all the powers that be, have abdicated in favour of a supreme dictator. In this last sample, the virtual one man show may be more or less masked under a ceremonial cloak of false democratic constitution. A legislature with the usual right, left and centre, a cabinet with the usual comfortable distribution of portfolios and sharing of a so-called joint responsibility may still be there under a dictatorship. Under its spacious wings autocracy may cover a multitude of fictions. The proposed India Bill based on the J. P. C. Report is likely to prove a case in point.

IV. IRRESPONSIBILITY OF INDIA

In a recent speech in the House of Commons Sir Samuel Hoare enunciated a maxim of political philosophy with special reference to India which may be readily conceded to be the acme of wisdom. The greatest danger in the Indian situation is not civil disobedience ; nor is it the terrorist menace ; nor is it any thing else usually thought of in this connection. What is it then ? It is the irresponsibility of India. The safest and surest insurance against this danger is thus the grant of responsibility. Responsibility would teach Indian politicians to be "responsible" in office or in opposition. Lacking responsibility they have lacked capacity for constructive criticism and statesmanship. Very true. But would the White Paper or the J. P. C. R. which superseded the White Paper usher real responsibility ? The Secretary of State's office is often, and not inaptly, described as the gadi of the Great White Moghul. The proposed India Bill is surely not calculated to depose him from his gadi. Not at all. On the contrary, the Indian Viceroy and the Governors are to be invested with powers which will make not only Mussolini's or Hitler's mouth water, but make the late Czar of all Russia turn wistfully in his grave.

V. "ONE MAN SHOW"

Let us go back to the Congress. Since Mahatma Gandhi's moral ascendancy over the Congress, its history has practically been "one man show." Mahatma Gandhi has been the Congress. This has proved to be not an absolute but a preponderating good. The amorphous mass of gradually forming Indian political consciousness and steadily growing political travail has been fortunate in that it has been able to organise itself into an efficient machinery of national service and national effort round a nucleus of such moral and spiritual potency as the life and personality of Mahatma Gandhi. It would most probably have remained a more or less amorphous and chaotic mass, and to that extent an inefficient and ineffective machinery, if such a powerful centre of inspiration and lead, co-ordination and control had not been given. It has facilitated and hastened the process of efficient organisation just as electric charges facilitate and hasten the condensation of water vapour and the formation of rain clouds. It has also arrested the process of premature disruption in which centrifugal forces prevail over those that tend to keep to the centre, in which elements make for war rather than for alliance.

VI. DUMMY GODS

But an arrangement like this, of unquestioned beneficence within limits and up to a certain stage, has a tendency to outgrow its utility. In this way dictatorship which proves a strong rope to raise the "drowned" hopes of a country may prove an equally strong rope to hang them with. The world had, has and will have need of dictators, that is, men and women whom old-fashioned people used to call heroes but whom we now call supermen. In India we call them Yugavatas—men who start epochs and cycles and make history. We have such men and women moving in different spheres—religion, social and moral reconstruction, in economics and politics, in science, art and literature. But Nature's plan will not work with supermen only. The gods who give all their powers to the Supreme Goddess when they fail to cope with the Arch Enemy, must take them back, when the Arch Enemy has been laid. Failing to take them back, they remain dummies and not gods.

VII. "THE CENTRAL SUN"

The gods of the Congress have indeed shone mainly by the light and moved mainly by the power of the central sun of Gandhiji's personality. Still they are by no means all dolls and dummies. A C. R. Das or a Pandit Motilal was a luminary that would not only adorn the political firmament of any country, but profoundly influence the destiny of any people. Such a god never shines in altogether borrowed light or moves in altogether delegated power. A Pundit Jawharlal or a Subhas Bose to-day—to name only two prominent stars in the political firmament, but there are also others—have never been and will never suffer themselves to be dolls and dummies. They have been good chelas, good and faithful, without allowing themselves to be "made in the image" of the Guru. Their voice has not always been the voice of the Master. They have schooled themselves into discipline but not into acquiescence by the Sabarmati or by the Pondicherry School or by any other. Possibly the one has Moscow brains or substantial parts thereof inside his Indian skull; and the other a Viennese liver in his Hindu abdominal cavity. But such gods have been the exception and not the rule. The common run of Congressmen have had their own lights not only dimmed but practically extinguished by the light of the central sun. They would not only hide their own lights under a bushel of modesty but smother them under a pall of surrender. The pall has fortunately been a moral pall which has rendered the surrender into a kind of passive dignity. The pall has not spread itself over a coffin of dead political mumies. Live men and women have been under a moral spell without being either mumies or dummies. Those that are in reality mumies and dummies and there are lots of them in any country—have been made to stimulate life in the magnetic field of the central sun like dead frogs made to twitch their legs under the galvanic current. In other words, countless men and women, who under normal conditions of Indian temperature and pressure would, politically, count for

have been so galvanised by the central current as to become positive dynamic factors, exerting their own pull in the general Indian advance. They have not been merely dead stone and gravel lying inert about while the caravan is moving on. They have at least been the dogs barking. The Congress would not conceivably be the power it was and the show it was without such mass electrification. High voltage wires are certainly needed for mass electrification in any country, but workers and their foremen must beware of them—lest they be electrocuted themselves.

IX. CENTRE DOMINATING THE WHOLE SPHERE : ITS ADVANTAGES

The above arrangement in which the centre dominated the whole sphere has had its advantages as well as disadvantages. We need not weigh the one as against the other. Under the influence of the centre, the sphere has acted as one more compact and more perfect than would be possible under existing conditions of a politically "unborn" India being born into nationhood. The Congress has been the one organised political body of any importance functioning in India. Its all-India operations, whether constitutional or otherwise, have been characterised by that forcefulness of purpose and solidarity of plan which are the marks of a great and efficient organisation. All the world has agreed, and even the Government has, perhaps, inwardly conceded, that so long as India can evolve a machinery for national effort on a scale so massive and so efficient as this, she need not give herself up as lost. The die-hard plea so airily trotted out now—that India is too hopelessly divided in her religious and secular interests to possess a well-knit national life and, therefore, deserve a well-advanced constitution—is itself a counter suggestion and a counterblast to the Congress claim that India is already a nation to which the right of self-determination can no longer with justice be denied. The recent communal emphasis and communal allotments are some of the imperialistic devices to drive a wedge into the undeniably setting cement of Indian solidarity. Crushing the Congress has thus been both the fondest dream and the cruellest self-deception of those who would fain postpone to the day of doom Macaulay's proudest day of India's British connection. The Gandhi-Irwin Pact by which the Congress had been admitted into her rightful status was simply gall and wormwood to these "friends" of India's dumb millions. When the so-called National Government virtually reversed that policy, tore up "the scrap of paper", and was determined to hunt down the "rebel", did not these minstrels of high imperialism hear a whole cage of nightingales singing in their hearts? The entire show of the R. T. C. was also by pre-established disharmony an arrangement to ignore, and if possible, disconcert, the Congress. That part of Indian being that had, politically, organised itself to any degree was left out. The residual chaos of jarring, warring elements was given a carefully wire-pulled sway to create all the noise and work all the mischief that it did. The man who could "deliver the goods" was of course let in later only to find himself flounder in the communal chaos that reigned. He was there to do business on behalf of the Congress. But the claims of the "House" Gandhiji represented in London were studiously turned down. His

position as a real plenipotentiary was deliberately sought to be swamped by a mass of bogus claims and false pretences. All these manoeuvres which, after Gandhiji's landing in Bombay, culminated in a "fight to a finish" with Ordinance-mounted big guns, showed that the Congress was no mean, negligible thorn and Government did not fail to take a correct measure of the Congress as an actual or potential menace. Both Lord Reading's Government and Lord Irwin's had not looked at the Congress menace through magnifying glasses when the latter had actually made the Pact and the former had come perilously near to making it.

X. THE FOUNDATION OF DEMOCRACY

Now, the Congress has been such a power mainly because of the cohesive, centripetal influence exerted by the "central sun". It is because all or most of the gods of the Indian political pantheon have merged their being, for the time being, in a "Supreme Goddess." By reason of this both the "war councils" and the "peace conferences" of the Congress have been enabled to work as practically homogeneous bodies with virtually an undivided mind. The majorities in the deliberations of the Congress bodies have been assured, and their conclusions foregone. Knowing Mahatmaji's views, one knew the views of the Congress. On all matters of controversy the majorities have been big enough and the minorities small enough to enable the Congress to steadily ploughing the troubled waters of a subject nation's politics without being tossed about by balanced or warring elements. In a vast and variegated country like India, which has lost political coherence and compactness for a long time, the adhesive and cohesive forces of a political organisation are naturally weak as compared with the forces that tend to sunder and disconcert. This means poverty of organising capacity. This makes institutions on a democratic basis, more or less unsafe in India. Which does not and need not mean that India lacks cultural and spiritual democracy and suffers from a constitutional unfitness for having or developing any other kind of democracy. For, it must be remembered that the foundations of real democracy are cultural and spiritual, and that where these foundations are given, a democratic edifice with economic, political or other wings can without insuperable difficulties be raised.

XI. CULTURAL HOMOGENEITY OF WEST

It has often been asserted that the western countries form a more compact cultural whole than the countries of the East. This is true in a certain sense. This is not true in the sense that the West has, generally, a steadier and clearer "scientific outlook". There are of course individuals in the West also in the East who have the scientific outlook. As regards the masses of men, the east has had, though she is now losing, a truer scientific outlook than the West. The western countries have cultured science and scientific methods and carried them to the fields of industry and art. By reason of such application of science to the peripheral organs of life, those countries have evolved no doubt a kind of cultural dreee uniform, which, however, does not mean either

that the West has evolved a truer scientific outlook upon life and things than the East or that it has a deeper soul unity and heart unity. If by scientific outlook we mean, as we should mean, a clear understanding and just appreciation of the real values of life and the universe, then the paradox that the "scientific" West is less scientific than the "mystical" East must be granted as true. An unsophisticated, untutored Indian rustic knows and believes that there is a just and wise God of the universe, that His Goodness is manifest in all things, that the present life is but a passing episode in a vast scheme of life immortal in which man must reap the harvest of his own karma, sweet or bitter, patiently and uncomplainingly, knowing that the whole drift of the beneficent purpose of the world is to lead him nearer and nearer his goal of perfection, and that the path of true evolution and progress must lie through self-control and self-purification, through service and love, through faith and vision, and through contentment and peace. Any one who knows the "mass" (not excluding the Harijan), knows that the spiritual instinct and vision which is above stated is the very vital breath of its cultural nostrils, which it draws in from an ample circumambient atmosphere of Tulsidas and Kavir and sundry immemorial cultural institutions. A Kumbhamela or an Arddhodoya-yoga brings up to the surface in the case of the Hindu the vast deeper beds of affinity that are commonly latent and subconscious. The mind may be clean though the body may wallow in filth : the soul may be wise though the intellect is ignorant , the heart may love though the flesh suffers, and the spirit may hover and aspire though the figure stoops and crawls.

XII. BED-ROCK OF CULTURAL KINSHIP

Thus it would appeal that underneath the surface diversity of races, religions, creeds and dialects, there are deep-laid bed-rock strata of cultural kinship of the Indian millions. Poverty and pestilence, ignorance and superstition are the "faults" which conceal the inner, fundamental bed-rock, and give us an altogether inverted idea of Indian cultural realities and national potentialities. We who have developed a new thirst for imported wines and other inebriating drinks, and, rather unsobberly, thronged at the bar where such drinks are sold, have, in our benighted camouflage cultural carousing, forgotten our own poor kith and kin at home, and taken up the drunken cry of our host at the bar inciting his crazy customers to foul their own nest. Our understanding and appreciation of the Indian realities are, therefore, commonly neither sober nor informed.

XIII. THE CONGRESS MOVEMENT : ITS FORTE AND ITS FOIBLE

The Congress movement has been the occasion for a considerable mass awakening and mass response, not primarily or even mainly because it has been a movement inspired by a political and an economic objective, but because it has sought to bear the character of a moral and religious movement with all the exacting terms of the first and little or none of the narrowing, sectarian tendencies of the second. By its insistence on the cardinal virtues of all ethics and religion, namely, non-violence and truth, it has tried to lift Indian national effort not only to the height

and breadth of an international endeavour, but to the spiritual trascendence of human fulfilment. Such a movement accords beautifully with the fundamental tendencies of the "Seed Power" of Eastern, especially, Indian masses. It is the same power that makes the response of the apparently inert and pulverised Indian masses so electrically spontaneous and so incalculably vast on an occasion like the Kumbhamela or the Arddhodaya-yoga. Now, there is no gainsaying the fact that the Congress movement has been such a "big drive" chiefly because of the influence of the one man who has inspired it and controlled it for the last fifteen years. It is because that one man has been "the Mahatma" whose "darshan" itself is believed by countless Indian masses as purification. This has been its *forte* as well as its *foible*. Mahatmaji and his many staunch followers have indeed sought to make the movement a movement essentially of moral and spiritual regeneration, but they have had political and economic objective and programme also of a more or less circumscribed nature. In other words, they have attempted to develop a fight against foreign domination and exploitation with materials which are not good enough nor ready enough for the purpose. Modern political and economic battles are not easily fought and won with weapons such as are provided by the Sermon on the Mount or even perhaps by the Bhagavad-Gita. Generations of Tulsidas and Kavir and so forth have deadened the pugnacious, belligerent instincts of Indian masses, and nourished quite other instincts of an altogether different kind of moral and spiritual worth. These other instincts, inspite of the broadcast war-gospels of many a Nitschze, old or modern, and in the face of barbaric war dances to the tune of many a modern flaming war-orchestra, may still be perceived to be the right instincts of self-preservation and salvation by the masses of humanity all the world over, who, like dumb-driven cattle, are being led helplessly to slavery and slaughter in the name of Nation or Democracy. But these other "lamb" instincts are not articulate enough and effectively organised enough in any country to withstand the ravages of the blood-thirsty packs of wolves and tigers that are everywhere roaming at large. Lacking effective organisation, the instincts of sanity and amity, human good-will and co-operation, are to-day, apparently, unable to cope with the gigantic world evil of greed and hatred. Yet salvation lies through the pursuit of those instincts on a mass scale. In India an experiment on these lines has been attempted.

XIV. A MIXTURE OF SUCCESS AND FAILURE

The experiment, as it should be expected from the given assemblage of conditions, has been a mixture of success and failure. Those who think that the Congress fight on non-violence method has totally failed, only take stock of the husk that has been noisily blown off, and not of the grain that has silently fallen through the sieve of Nature's unsparing vital economic. The Indian masses have found out their springs of strength and also the channels through which these can be pooled together. But they have also found that their springs are not yet ample enough and the pools deep and dependable enough to make their political and economic programme float and ply to its desired haven of fulfilment. In other words, "Soul Force" has not yet proved

forceful enough to work as a lever to raise the load of India's sunken politics and economic well-being. The programme which has been alright in other respects, has been found to be unequal to the task of bringing Swaraj within a year or even within a decade. Which, however, does not mean that it has put us off the scent and pushed us off the track. It does not even mean that the moral and spiritual side of the movement has been a drag retarding progress along the track leading to political and economic Swaraj. There is no short and safe cut to Swaraj steering clear of the scylla and charybdis of soul force and soul purification. Nor can the Sabarmati and Pondicherry rudder and compass be safely dispensed with. A pure politico-economic or social devise cut off from the sources of Indian mass motive power shall not generate sufficient steam to propel the engines nor put sufficient wind into the sails. The Russian or Chinese or any other analogy has commonly been stretched far beyond the limit of its logical relevancy. The policy that has sought to impart a moral and spiritual character to the Indian national movement, and has laid equal stress on the constructive and fighting sides of the programme, has been, in our judgment, a wise and far-seeing policy. It has worked up the sources of Indian mass motive power on a scale and to a degree unprecedented in the history of recent political activity in India. By it India has covered within the space of a decade and half the track of centuries. It has made the bones of Indian politics instinct with life. Not only so. It has made a world wallowing the slough of moral despond hope. And Mahatmaji has been the main director of this process. He has made a people, politically paralysed and economically prostrate, find its legs. By rousing and harnessing its own native strength, he has shown it how to serve and how to fight.

XV. THE DUAL PROGRAMME

But it has not been long and assiduously apt enough in its training camp. It has picked up the art of a political and economic fight but has not yet adequately mastered it. Its course of preparation has not been through enough to confer on it and alright preparedness for winning or retaining Swaraj. To attain to it, it has, of course, not to unlearn the lesson it has learned during the last 15 years under Mahatmaji's tuition. The process has to be intensified, supplemented, balanced and perfected. Those who think that a programme within the Assembly and the Councils coupled with a rural reconstruction programme will make matters improve, should be given a chance. The dual programme, with due drive and balance, is expected to be helpful. The Simla snows may not forthwith thaw in the opposition heat in the Assembly, yet it may form vapour clouds that may roll over the length and breadth of the Indian welkin and result in genial showers growing a badly needed harvest of mass political education. Genial showers are indeed welcome. But unless great care is taken and much labour expended, such showers are as likely to grow noxious weeds as they are likely to grow useful crops. Greatest care ought to be taken in the preparing of the soil, in the regulating of the ways and means of irrigation, and in the selecting and distributing of the seeds and manures. This is the construc-

tive half of the dual programme. This constructive programme must be pushed through—whether on the lines laid down by Mahatma Gandhi or on any other we do not here discuss. The attitude of the Congress in relation to the legislatures has varied from time to time. From non-cooperation to "obstruction", and from obstruction to responsive cooperation—which Dr. Moonji calls the Sanatan Law of Nature—that attitude may eventually change. The constructive scheme may also require variants some of which may cut against the grain of Gandhi's set and pet programme.

XVI. HINDU-MOSLEM "BOGEY"

Some people like Dr. Moonji may set their face against the Hindu-Moslem "bogey" which Gandhiji in particular is supposed to have bolstered up into an absolutely exaggerated and overshadowing importance, before the alter of which all vital interests must be laid low and, if necessary, sacrificed, and the propitiation of which must be bought at any cost, however ruinously vital. This school stands for "letting the Mussalman alone" as the gallant spokesman of the Hindu Mahasabha above referred to has on a recent occasion stated. Let the Hindu try to work out his own salvation without either quarrelling with his Moslem countryman or offering inducements with a view to buying up his support. If, for instance, his Moslem countryman thinks that it will be best for him to travel in reserved communal compartments in making his political journey, he (the Hindu) has no right to tear up the reservation labels he has thought fit to arrange for and force the Moslem to travel with him and others in mixed cars. According to this school of thinking, the policy of making pacts and bargains with the Moslem, the Congress insistence on the consummation of Hindu-Moslem entente as the necessary condition precedent to the attainment of Swaraj, Mahatmaji's "blank cheque", communal bungling and so forth at the R. T. C. and the subsequent solicitude of Congressmen in general to "patch up" an agreement with the Muslims—are factors that, in collaboration with deeplaid diehard mines have blown to the winds the cement concrete of the community of Hindu Muslim interests that has been slowly but surely setting for the last six hundred years in India. They long fought each other, but they also came to gradually appreciate and cherish each other. The recent communal emphasis, communal bargains and pacts under unnatural conditions and on inequitable terms, and the Communal Award, are some of the mine explosions by which the solid, substantial piers of the old, tried bridge spanning the chasm have been shaken and, in part, shattered. So the engineers may to-day perceive the mistake of some of their late operation and seek to repair the damage done. Conceivably, Dr. Moonji may live to lead a new batch of bridge builders. Possibly, he may be able to achieve by using an exclusive "Hindu" brand of hard material what the pact-makers have so far failed to achieve by using their soft, flimsy, elusive confabulation stuff. If that be so, the constructive plan will be modified, with important repercussions and readjustments in all directions, with respect to that item. The Hindu and the Mussalman and the Sikh will then settle down to make up in earnestness the differences by creating requisite sanctions,

which they are now seeking to patch up by diplomatic negotiation. Differences such as these cannot be made up even by fasting oneself unto death. They can only be reconciled through mutual understanding and appreciation as free, capable, responsible partners. The R. T. C. negotiations were without basis because they did not meet there as free, bonafide partners. What you gain by "negotiation" is insecurely held and may be easily lost. Reckoning has no value before each party has "played the game."

XVII. UNTOUCHABILITY QUESTION

Not only as regards this but also as regards other items, it may be possible to think of unorthodox Congress lines. The Untouchability problem is an example. Whilst no sensible man would like to linger in the old, rotten rut, many should hesitate before they strike into the commonly trodden Gandhian paths. Some have complained that the Harijan movement is three quarters a political movement and but one quarter a social, economic and educational movement. Of course political good is not something isolated and isolable from the organic whole of national good. Still politics is a game that is not often, if at all, played with unloaded dice. You can give your Harijan dice a fictitious "weightage" which you know they do not actually have or which you do not even like them to have. You pretend to give the Depressed Classes an heightened social status with artificially improvised props and an enhanced economic credit with falsely inflated values. The Depressed Classes badly require being raised socially, economically and politically, but not with the aid of hastily improvised artificial props. Props are generally improvised and improvised with haste with ulterior objects in view. It is like creating and swelling the roll of voters by paying their subscriptions out of party funds. They become thereby voters for the occasion. Such devices naturally suggest themselves if you dangle before your own eyes or those of others Swaraj or Power "in a year". There is such a thing as greed for swaraj. It is greed when you jump at it without taking a correct measure of your own strength or fitness. It is greed when you clutch at it without paying for it. It is greed when you bargain for it without creating sanctions for it. If we be possessed by greed, we shall hastily improvise qualifications where none yet exist and artificially manipulate sanctions and inflate them where as yet they are inadequately small. This greed has been one of the besetting sins of our modern movements, in India and outside India. We wish to usher the millennium overnight and be in full possession of the Kingdom of Heaven on Earth upon the break of day. Heroic measures naturally suggest themselves, steam-rollers are called into requisition, and raging and tearing campaigns are launched upon. By revolution overnight we wish to cover the track of whole ages of evolution. Soviet Russia wanted to usher the millennium overnight by red revolution, and now essays to change not only the face of the earth but renew the heart of the world by its Five Year Plans. Hitler in Germany, Mussolini in Italy, Roosevelt in America are all after the same pattern. Five Year Plan has become the fashion. In following the fashion we, not unoften, not only take leave of realities but smother them and grind

them out of shape. Realities are so uncomfortable in the cloudland of theory and so recalcitrant in the utopia of dreams?

XVIII. GRIT AND GREED

We in India to-day have not escaped this modern mania for mere magnitude. Realities have of course to be treated, controlled and moulded. That has to be done with grit but not with greed. Idealism has its need. We must shoulder and raise, and not simply grab and brag. Untouchability has to be removed, but we have to pause and consider whether we have not begun at the wrong end and stressed on wrong points. It is soul-touch and spirit-touch with the masses that we have either lost or have been fast losing in these days of democracy and international outlook. The gulf between them and ourselves has been widening in every direction. We and they have been living and moving in separate worlds fast receding from each other. Even our Gandhi cap and spotless khaddar have not, generally speaking, made us and our Harijan brother closely approach and hug each other. We have but forged few links of love between him and ourselves. Many good old links have been broken, and we have taken precious little care to have them renewed or restored. Given soul-touch, the essence of human fellowship and cooperation is given. That being not given, any amount of mere body-touch will not produce it. Not only so. Where soul-touch is there, it does not matter whether or not there is body-touch also. Insistence on body-touch itself may tend to befog and betray the vital issue. A new orientation is thus needed in the prosecution of the removal of untouchability work. The baby of Swaraj will not be born in a common kitchen or even in a common temple : Await the throes of its birth in thy Soul.

XIX. SOCIAL AND RELIGIOUS LEGISLATION : "SLEEPING LION"

The same remarks apply to actual or prospective legislation affecting social and religious customs and institutions of the conservative sections of the Indian peoples. Government may have their sympathies and antipathies, but they are pledged to a policy of neutrality in such matters. Whilst this neutrality should be religiously observed by the Government, the so-called progressive elements in the country should also, in our opinion, revise and reform their attitude with respect to such questions and the method of tackling them. The progressive elements are to-day better organised in the modern "fighting" sense, better provided with the weapons of both offence and defence, than the conservative sections which, never-the-less, form the overwhelming majority. And this majority is not simply or mainly one of dead or dying number. The modern art of propaganda (including the press and the platform), the strategy of capture and exploitation, may have been more effectively mastered by the former than by the latter. So it is their voice and not that of the latter that we commonly hear. And it is they and not the latter that loom large on the election and legislative screen. They are to-day on their vantage ground. But it is well to remember that the surge of forces that have carried them to their position of vantage may retreat sooner than one imagines. Possibly, it is retreating already.

Sensible people all over the world are waking to a perception of the bottomless pit into which they have been hurled by those forces, and are "dying" to fling them back or at least to redirect to less abysmal objectives. The old enthusiasm for modern objective, modern strategy and modern armoury is distinctly on the wane in the masses of men. If the present order should change releasing reformed and redirected forces, some of the existing ideas and institutions upon which we have so long been wont to set high values may be let down, whilst some others that have been so long looked down upon may rise and hold the ground. Indications are already there of the Wheel of History beginning to take a complete revolution. The up will then be down and vice versa. The so-called progressivist may then be "a back number". Conservative India, the much-maligned Sanatanist, may rise as "the sleeping lion" not only of the East but of the world. For, conservatism may mean, under certain circumstances, repose of stabilised strength and balance of developed organisation. It may mean keeping one's feet in a senseless drift, keeping one's nerves while one finds oneself on the fatal brink to which Mr. Lloyd George refers. We should therefore think twice, thrice and many times before we resort to the pastime of feeding the "sleeping lion" through nasal tubes of legislative, social and religious reform. Nasal feeding has been attempted many a time during the ages-long life-history of the Indian Lion. Those who attempted the process ultimately found themselves inside the lion's spacious belly. India has absorbed and assimilated many foreign elements without losing her Seed and Form pattern. If, therefore, any feeding has to be attempted at all to-day, let it be done after rousing the lion and with his consent. Let us be sure that he likes it and it will suit him. The progressivist should approach his task leaving aside his superiority complex—the attitude of the doctor saving his dying patient, of the shepherd bringing back into the fold his lost sheep.

XX. VARIANTS TO ORTHODOX PLANS

Some variants may thus have to be thought of in relation to the orthodox methods of Congress, Nationalist, Hindu Mahasabha or Moslem League and Conference conception and execution of national plans. The progressive elements have been busy airing their plans in the press and from the platform. The sleeping lion still appears to be snoring. He has been called by various names. He is carcass-eating Indian Kumbhakarna, for instance. The lion has not yet risen to name himself and paint himself. We have allowed him to draw his own picture.

XXI. BETTER ORGANISATION

In the fight between the Congress and the Government, the latter won because it was a better organised body with resources at its command which were, and still are, ampler and more dependable than those former could draw upon. The Congress movement has the character of a flood. The causes and conditions of its rise and subsidence are subtle and, in the main, uncontrollable. We cannot foresee when it will come and how it will come nor when and how it will subside. Tides are governed by the phases of the moon. But there are no

visible and calculable phases of the Congress "moon"—not even the magic power of the Mahatma—by which these tides in the affairs of the Indian nation appear to be governed. The course of any Government does not of course run smooth, still it is relatively steady and settled. It is especially so in the case of Indian Government. The supply and distribution of its "flow" are broadly definite and calculable. It has less to depend upon freaks and accidents. It has less to stand or fall with the ups and downs of mass emotions. It is less susceptible to the fickle fits of crowd psychology. All this makes it a more dependable machinery for offense as well as defense. Of course it has its drawbacks too. But we need not speak of them. The Congress also worked admirably as an organised body. But the organisation in its case was more impressed upon it than naturally evolved out of it. It was more in the nature of a "flash" organisation. Its successive "War Councils" were the models. The central magnetism of Mahatma Gandhi had an uncommon large share in the conjuring of the organisation and for its phenomenal activity during the Congress "boom" periods. When the central influence was removed—and the Government had learnt its lesson by removing Mahatmaji from the field almost at the very start—or when the central influence flagged either through inflexibility or bungling, the Congress machinery showed signs of going down the curve of efficiency. The vigour that had been put into it gradually ebbed away, the order that had been impressed upon it was crumpled up. After the central sun with his principal planets had been shut out from their field of action, the lesser satellites and asteroids could ill manage to withstand the approaching collapse and chaos. Leaders began to feel "war-weariness", and the rank and file began to feel that they had lost nearly all their grit and go. Of course, the persistent "blockade" maintained by the Government and the general situation in the country, together with the operation of certain cosmic factors mysteriously shaping the curve of earthly events, afforded a part explanation of what happened. But the crux of the explanation lay in the fact that the Congress had set about achieving an end for which neither its organisation nor its driving power were adequate and sufficient in view of the conditions, both lay and official, that actually prevailed.

XXII. THE CONGRESS MACHINERY

It was fighting one of the most powerful and perfected of State machineries under political and economic conditions, perhaps the most depressed in the world, with a machinery but hastily improvised and put together and with a motive power that could not be let in or let off or otherwise regulated by any dependable lever of control. The Congress foundry was able no doubt to turn out some of the biggest guns for mass field operations. But the guns were neither tested nor standardised. Nor were the powder and shot they used. There was the risk at every critical moment of the guns bursting and the powder failing. The Congress had not yet wrought itself up to the requisite level of preparedness or to the requisite degree of efficiency for doing its job with thoroughness and expedition. Of course what it was able to actually accomplish was great—indeed greater than one should nor-

mally have imagined possible. It should have been both an interesting and instructive experiment to try to achieve as much or nearly as much *minus* Mahatma Gandhi. That would have shown its innate strength as distinguished from what had been conjured up and induced by the magic of Mahatma. The Congress *plus* Mahatma and the Congress *minus* Mahatma is an interesting study. The Congress had within it developed a Left-Wing and an Extreme Left-Wing which would have tried the experiment if it had been possible. No party of course would refuse to make use of or "exploit" the tremendous influence which Mahatmaji radiates from himself. Still some "advanced" parties might think that Gandhism had had its day of usefulness which the Congress, or the nation for the matter of that, had long ago outlived as regards the working out of its political destiny. From politics he should either retire or be blackballed. His proper calling should now be social and humanitarian work. His continued dominion over a field where his usefulness has been exhausted is a positive bar to further effective advance. This school of thought is perhaps more vocal to-day than it was yesterday. It has its variants. It is not, however, as yet the majority view. This latter view still regards the Mahatma indispensable. Whether in "office" or in retirement, he is still the Congress. This may not be an ideal arrangement or even an arrangement without a handicap this way or that; but it is the best possible arrangement under the circumstances. Heroes may seize in a generation what nations left to themselves would take centuries to come near. Heroes are now and then sent unto our planet and they take up in their hand the crawling snail of natural evolution and matter-of-course change, and make it grow wings by which it rides the storm revolutions and cataclysms. Dictators play a vital part in the economy of human history. They must appear and play their part when the situation is of sufficient urgency to call upon them to do so. In India it has been given to Mahatma Gandhi to take up in his hand the "crawling worm" of the Indian National Congress and make it grow wings. It has been growing wings of late; fluttered them a little during the last decade or so; it has also dared the storm now and then. But it is not yet a full-fledged South-American condor breakfasting at the mouth of the Amazon and dining at the mouth of Congo. India still hath need of Gandhi, though he, as a majestic star, may dwell apart. Gandhiji in retirement, like Gandhiji in Yeruda, will yet prove a greater power than Gandhiji actually in the field. Let us hope so.

XXIII. INTENSE EDUCATIVE PLANNING

We have put above the view of the common run not only of Congressmen but also of the Indian politicals. For our own part we think that time has already arrived when we should do by cutting continuous irrigation canals and sinking sure wells what we have so far been doing by floods and inundations. Floods and tides when they come are fortunate if we can "take" them and turn them to use. But floods and tides are, generally speaking, their own masters. We can rarely engineer them; and we can never keep them when they are minded to go. And when they go, we often find ourselves left stranded in sands and quagmire. An intensive educative planning throughout the length

and breadth of the country, and particularly in the villages, should engage our thoughts and interest more than anything else. In other words, we must concentrate on the work of planning and laying the foundations. So long we have essayed to plan and build practically without foundations. We thought that foundations were there sure enough or that they would take care of themselves. We have permitted ourselves to be possessed by destructive fits or constructive spells without having consulted the foundations or even perhaps in contempt for them. We should now mend our ways. For this we must strike into paths left practically untrodden though not quite uncharted by the orthodox Congressman or Nationalist. We should think of educative planning less in terms of picketings and hartals, elections and capture of votes, even mass meetings and processions than in terms of the more cardinal conditions of economic, social and cultural redemption of the masses. And in thinking of these we should think less of foreign and acquired methods than of home and "constitutional" ones.

XXIV. THE BIHAR EARTHQUAKE

The latter part of the Introduction we propose to devote to news rather than to views. The most momentous as well as the most stunning news of the first month of the year was the terrible, devastating earthquake in Bihar. The Finance Member made a statement in the Bihar Council on Feb. 14 on the measures taken or proposed to be taken by the Government to bring relief to the stricken country. We quote a few lines from that statement. "Such a disaster had not fallen upon the province within the memory of man. In a few seconds' time the results of human toil and hope had been shattered and Bihar lay a stricken province....The area in the province in which shocks were acute and caused immense damage in life and property extended from beyond Motihari in Champaran on the west to Purnea on the east, a distance of nearly 200 miles, and from Nepal border on the north to Monghyr on the south, a distance of 80 miles....Experts believed that the probable cause of the earthquake was the thrust of the whole peninsula of India northwards against the Himalayas. Various theories had been advanced to account for this pressure....The effects of the earthquake on Jan. 15 were so terrific for some time that communication with a great part of the area was completely cut off. Roads, railways and telegraph lines were out of action. Embankments disappeared, the rails remained suspended or shifted and the bridges were destroyed....The total number of deaths reported up to date was 7,057. The greatest loss of life occurred, as might be expected, in the Tirhoot Division—5,295. In Muzaffarpur district alone 2,484 lives were lost." In Sitamarhi, Darbhanga, Madhubani, Champaran, Monghyr, Bhagalpur, Patna, Gaya and elsewhere, the death-roll was also heavy. "It would never be possible to give an accurate statement of what the death-roll was....He was aware that the estimate of deaths given by many people in complete good faith had been far higher than the figures he had given." As to the material damage done, it fell into four categories—damage to Government property, damage to property belonging to the local bodies, damage to

railways, and damage to private property. The Bihar Finance Member continued—"The first question obviously was one of finance. The local Government could not even afford to make good their own losses, much less to give any help to others. Sir Alan Parsons, Financial Secretary to the Government of India, visited Patna a few days ago. The Government of India were prepared to meet the local Government in a generous spirit.....the local Government hoped to be in a position to make loans to private persons to help them in reconstruction of their houses and with this object a bill was being introduced immediately in the Council...The disaster has drawn us together. Our minds have been touched to finer issues. Let us see to it that in the new Bihar that will rise out of its ruins this happy union will continue." He was obviously thinking of the happy union of official and non-official—particularly Congress—bodies in the work of relief and reconstruction.

XXV. NON-OFFICIAL ESTIMATE

Even a more harrowing tale was narrated in Babu Rajendra Prasad's cable to Mr. Andrews. He characterised the Government estimate of loss of life at 6,000 as "gross under-estimate". At least 20,000 must have perished, the death-roll of Monghyr alone being 10,000. As to loss to private persons, the Darbhanga Raj estimated their own losses alone at 5 crores of rupees. Babu Rajendra Prasad was not guilty of exaggeration when he said that apart from Government requirements of millions of pounds for their own reconstruction purposes and those of Railways and Local Bodies, millions of pounds and many years of strenuous labour would be necessary to rehabilitate stricken Bihar.

XXVI. RELIEF FUNDS

Relief organisations were started in which, as might be expected, Congress bodies took a prominent part; but help and cooperation were forthcoming from other quarters (including of course Official) also. Besides the Viceroy's Earthquake Fund, the Central Relief Fund of which Babu Rajendra Prasad was one of the prime movers, and the Calcutta Mayor's Fund were started and lacs of money were without much difficulty raised. But lacs were a drop of help in a sea of need. Contributions from foreign countries—especially from London—came no doubt, and poor, noble India, which is ever grateful for even small mercies, was, and still is, grateful for them. Comparisons are odious especially in the matter of charities. Still there were some who could not rise above the temptation of instituting comparison between the degree and kind of humanitarian interest which a free and big Power (e.g. Japan) evokes under Nature's affliction and what a poor, subject country like India may be able to excite under similar conditions. In these days of broadcast "cosmopolitanism", even charities may not always be conceived in the spirit, and controlled by considerations, of pure humanitarianism. They may be undertaken from a political or commercial consideration. But let that pass. While on this point we should like, however, to refer to the very gracious terms in which the Lord Mayor of London appealed to "that large-heartedness which is

England." After referring to hundreds of small offerings he had been touched to receive, the Lord Mayor said—"Here is an opportunity of speaking in a language which the Indian people cannot and will not misunderstand, a gift we must bring to the altar of understanding and friendship. It is not a little but a great gift worthy of us and worthy of them." Gracious indeed were the words, but they were also wise. The gift was to be brought not simply to the altar of pure Christian charity and human brotherhood but also to one of understanding and friendship.

XXVII. FINANCE MEMBER'S GENEROUS GESTURE

On Feb. 14 Kumar Gupteshwar Prasad Singh moved the following resolution in the Legislative Assembly (The Leader's Own Correspondent at New Delhi began his report by telling that at one time during the proceedings no less than seventeen members of the Assembly were asleep on the comfortable green benches, and the honours were evenly shared as these members belong to almost every group)—"This Assembly recommends to the Governor-General in Council that he may be pleased to advance such loan without interest or at a very low rate of interest to the Government of Bihar and Orissa as may be required to help the reconstruction of Bihar devastated by the recent earthquake". Mr. Studd, on behalf of the European group, whole-heartedly supported the proposal for a loan in part at least without interest, and remarked—"It was a national calamity, but one bright spot was it had brought about co-operation between different classes. By helping Bihar they were helping the cause of India." Gracious and wise words again. Sir George Schuster on behalf of Government did not on the occasion disclose his cards, but he promised to do so in his Budget speech or even earlier. He hoped that the lines on which Government proposed to proceed would be adequate to meet the needs and commend themselves to the House. In his Budget speech (Feb. 27) the Finance Member explained the Bihar earthquake relief measures proposed to be taken by the Central Government in consultation with the Government of Bihar. Those measures included a gift of half a crore to the Bihar Government for buildings and an additional half crore as loan etc. The total funds proposed to be provided were to the tune of 3 crores or more if needed. We need not go into details which will be found elsewhere in the body of the Register.

XXVIII. RECONSTRUCTION OF BIHAR

The task of reconstruction was, and still is, of so gigantic a magnitude that a crore or two from the State Exchequer and a crore or so from Relief Funds' collections all told would still be as a drop in the sea. A crore or two might house the Government and the local bodies and their schools and hospitals; within that the railways too might resume their normal run. But the making good of damage done to private property in building, agricultural land, wells etc, was a much bigger and much more complicated job which in any other country would have been attempted in a thorough and more business-like way, by both official and lay agencies, than it was done in this country. We are referring not merely to funds. India is a poor

country. Yet the heart of India has been large. That heart has never lacked the milk of human kindness and charity. Even the half-starved kishan will readily part with the penny which he badly wants for himself to relieve the distress of a fellow-being. With better organisation and more effective methods, more lacs could possibly have been raised. But we let alone lacs or even crores, though, of course, the question was mainly one of funds. It was a question of organisation and method also. Relief was to be brought primarily where it was most urgently needed ; and a new Bihar was to rise out of the ruins of her former self. This latter task would require both imagination and resourcefulness for its progressive accomplishment. New lines of town-planning and village-planning, new methods of agriculture and irrigation, new forms of industry, especially cottage industry, were to be conceived and sought to be progressively materialised. You can do little if you begin with poor funds ; but the little you do spells no good if you set about doing it with no ideas and no methods.

XXIX. PANDIT JAWHARLAL'S ARREST

We leave this painful subject with a passing reference to the arrest of Pandit Jawharlal and his conviction (2 years' S. I.) on a charge of sedition in Calcutta. The Pandit had thrown himself into Bihar relief work with his characteristic zeal and thoroughness, and had he been suffered to continue in the work, he might have supplied to not an inconsiderable degree what the Bihar operations wanted in point of "grit and go". His clear and spirited ideas would also have been a strong leaven to make the new loaf of a Bihar remoulded and remodelled. But Government having once gained mastery of the Indian political chess-board, were in no mood to take further risks by permitting themselves to sleep or linger over their "moves". Possibly, it was feared at some quarters that the Pandit, with his avowed anti-imperialist and pro-communist bias, might not be quite "safe" a leader of operations which would throw him and the poor Bihar Kishan and mazdoor much together. An idea of his "grit and go" may be gathered from the following communication which was received from Monghyr on Feb. 9. "A unique procession of 100 volunteers and 30 representatives of relief societies and members of central committee with thousands of citizens with baskets on their heads and pick-axes and shovels in their hands headed by Pandit Jawharlal will start at noon to-day to begin the clearing of debris in poor quarters." A leader like this should not have been snatched away from a work which needed him and men like him most.

XXX. THE BUDGET

We referred already to the Budget speech of Sir George Schuster. The revision in postal and telegraph rates was expected to stimulate traffic both in letters and telegrams and add to the receipts of that department. Enhancement in the rates is not always the shortest or surest cut to increased revenue. The proposed excise duty on factory-made sugar provoked a good deal of hostile criticism. In proposing the excise duty the Finance Member said—"Large profits are being made by sugar-manufacturing companies, and the attraction of these profits

is so great and factories are being set up so rapidly, that there is a real danger of over-production on a scale which may lead to very serious reactions both on the manufacturing industry and on the cane growers who rely on it." Now, Bihar is one of the important cane-growing and sugar-manufacturing provinces. The earthquake practically destroyed the foundations on which the whole structure of sugar-growing and sugar-manufacturing in that province rested. Seven of the sugar factories were pulled down by the earthquake and two more were seriously damaged. The Finance Member was perfectly aware of the materially altered situation as to cane-growing and sugar-manufacturing that had been created. The bogey of over-production had been laid. Yet he stuck to a decision that had been arrived at before the occurrence of the earthquake.

XXXI. The SPECTRE OF OVER-PRODUCTION

That India possessed a considerable and thriving sugar industry is so recent a fact that it can be regarded as authentic history. This industry, like her indigenous cloth industry, was virtually killed by cut-throat foreign competition. If protective walls were needed for any Indian industries, they were needed for these. After years of agitation a measure of protection was at last afforded. Under protection Indian sugar was reviving. It was reviving at such an "alarming rate" that even Government at last conjured up the spectre of over-production, and European Chambers of Commerce were frightened into fighting the surcharge duty on import goods. Government chose their moment for conjuring the spectre which was particularly unfortunate for two reasons. Firstly, because the Indian sugar industry was yet in its infancy, and it needed watchful nursing for many more a year. Secondly, because the recent Bihar calamity had dealt a blow to it from which it would take many years to recover. Sugar under the circumstances should have been about the last thing to be touched. "Budgetary tightness" due to the fall in the import of sugar to which the Finance Member referred should have been sought to be relieved not by curtailing Indian sugar but by effecting economies elsewhere—more particularly in the Indian Military Bill which has remained practically sacrosanct and inviolable under existing arrangements and will remain so under the proposed constitution. At any rate, what the Government fear to lose under the head of Customs they should try to make good by means and methods less prejudicially affecting the vital key industries of the country.

XXXII. THE CASE OF BENGAL

In his statement the Finance Member dealt with the case of Bengal "which was piling up deficits at the rate of two crores per annum". To meet the situation Government provisionally accepted the White Paper proposal, and by imposing an excise duty on matches, they proposed to hand over half of the jute export duty to the jute-producing provinces of Bengal, Bihar and Orissa and Assam. A proposal of this nature, however just and merciful to Bengal and her near neighbours, would not fail to be an occasion for the bubbling up of inter-provincial jealousies in some form or other, and other provinces might com-

plain that they had to pay in order that Bengal might have a share in the profits of her monopoly of jute production. The match is an article of universal consumption. To make it dearer is to make all India, including the very poorest masses, feel the pinch. Of course Bengal's case as regards her snatched jute export duty on the one hand and her "deficits piling up at the rate of two crores per annum" on the other, was a case crying for justice and equity if any case ever cried for them. Yet relief need not have been sought in the direction in which it was. The fundamental drawback of Indian finance is its many "reservations and safeguards". It is not in the nature of an organic whole in which all parts freely act and react on one another. Some parts will only take but will not give. Others have only to give. There is no arrangement for a free give and take. Those that take assess their own needs. Those that give have not their needs assessed by themselves. And behind Indian financial policy and Fiscal Convention Whitehall reigns supreme. Under a scheme so peculiar as this, there can be very little scope either for the whole Indian Budgetary Plant resting on a sound and satisfactory basis or for the constituent parts of the Indian budgetary system being adjusted in reasonable and mutually accommodating manner. A balanced budget without inequities becomes an impossibility under such conditions. You have to hit stricken Bihar in a vital part (e. g. her sugar) to give her relief. An anaemic Bengal has to be revived by transfusion of the "blood" of the other provinces. The situation is not likely to improve so long as India is not able to evolve a natural kind of financial autonomy.

XXXIII. INDIAN ECONOMIC POSITION

The Finance Member however concluded his statement with a brilliant survey of the economic position of India. The past years of unexampled depression had actually been a period of industrial expansion. "Iron and steel were working during 1933 at 41 and 75 per cent respectively above 1928 capacity. No other country, not even Japan, could compare with this. There had been a great development elsewhere in sugar etc.. But admittedly the main interest of India was the agricultural rather than the industrial problem." In this also the Finance Member claimed a distinct improvement... "but there was an undoubted danger that the continuance of low prices might leave an aftermath of the serious problem of indebtedness". We need not follow him further. His closing picture of Indian financial position was aglow with the rosy hues of the rising (or setting ?) sun. "Its strength challenges comparison with that of any country in the world and in these times of increasing economic nationalism there is no other country that has brighter prospects or greater potentialities for economic advance than India."

XXXIV. NON-OFFICIAL BUDGET CRITICISM

The remarks we have above made represent the lines on which criticism was made by most of the non-official members as to the budget. We may, still, refer to the actual observations made by some of the members. According to Sir Leslie Hudson, leader of the European group, the budget was not unsatisfactory, but "it would have been really a deficit budget but for the raid on the debt redemption

fund". The cut in salaries to services should not be restored without simultaneously affording relief to the tax-payer. The Central Government's measures of financial help to Bihar were generous. Then note this remark by Sir Leslie—"While Bengal might feel satisfied over half of the jute tax being given her, the rest of India would have the grim satisfaction that every time they struck a match it was to help Bengal". Sir Abdur Rahim's criticism was conceived in a deeper key and it struck a note similar to the one underlying our own general criticism of the budget policy of the Government of India. We quote at length from the Press summary of Sir Abdur Rahim :—

"At best he had produced another emergency budget and there was no relief to the tax-payer. Perhaps it was the fault of the system of Government in India which had to take orders from London. The financial policy of the Government of India could not, therefore, be sound. The need of the hour was to increase the purchasing power of the people by industrialisation, which was not possible unless the Government of India were removed from the vicious circle of having always to frame a budget from the expenditure side. It was true that military expenditure had been reduced in recent years from fifty-five to forty-six crores, but what had the Government of India done to press India's case for justice regarding capitation charges? An amount of 170 lakhs did not meet the ends of justice and India was entitled to know from Sir George Schuster what steps had been taken by the Government of India. Referring to Bengal, Sir Abdur Rahim said that her financial difficulties were due not to the terrorists, but to the inequitous Meston Settlement against which Governors from Lord Zetland had protested. Bengal joined Bombay and other provinces in seeing a more equitable adjustment. In his opinion Bengal, which had the monopoly of jute production, deserved the whole of the jute tax. Concluding, he suggested that the Government of India, while presenting the Central Budget, should give a general picture of the financial position of each province so that the House might understand the situation better and avoid inter-provincial jealousy."

XXXV. OFFICIAL REPLY

Sir George Schuster, in replying to the budget debate, contended that "the sugar proposals would still leave a margin of profit after fixing a fair price for cultivators and consumers. Protection was still over 200 p. c. ad valorem and India could not export sugar on the competitive basis, but if any export occurred, a rebate of duty would be granted. The case of no other province was comparable to that of Bengal. They could not under the present conditions restore equilibrium and the Government of India as their bankers had no other alternative but to give them extra income leaving them to fill the remainder of the gap. He did not, however, want the province to entertain the hope that there were other schemes up their sleeves for help to them". We need not follow the Finance Member further into the intricacies of the labyrinth of Indian finance which is not a natural system governed by the laws of natural economics but a grotesque, and in some respects, an arbitrary growth subject to its own laws or negation of laws. As regards the military bill for instance, whilst the Government side claimed that reduction in army expenditure had surpassed the expectations and recommendations of the Inchape committee, the non-official side felt far from being satisfied with the extent of the concessions made. It was not simply because these were inadequate, but primarily because they were *concessions* which military authority in India and at "home" could see their way to grant at pleasure, and not contributions that could be demanded from the Military Department as a matter

of right and equity. That department in its internal economy was practically uncontrolled and unregulated by the civil authority. Nor did it come within the "mischief" of such representative institutions (Legislative Assembly etc.) as India possessed. The history of the military budget showed of course some bends, some ups and downs, in its curve. But the representative institutions in India did not feel that they were any of the terms involved in the equations determining the actual curvature of its curve. The civil authority might tell its own secret.

XXXVI. INDIAN DEFENCE POLICY

The Indian Defence Policy came up naturally for a great deal of criticism in the R.T.C., and it had been assailed by generations of Indian publicists previous to that. So long as Dominion Status for India used to be regarded as beyond the wildest flight of imagination by officials and Indian politicians, the Indian National Congress and other political bodies would rend the welkin with their piteous cries in compassion for the poor Indian tax-payer and kneel in supplication for a crumb or two from the sumptuous table of Indian military supplies. But with the goal of Dominion Status coming within the range of professed, if not practical, politics, and with the declaration of 1919 promising responsible government in an increasing measure to India, and later developments prospecting a transition period during which the white man's burden was to be gradually transferred to Indian shoulders, the Indian temper and tone in regard to Indian Defence Policy as a whole underwent a material alteration. It has been contended, and quite justly, that self-government or responsible government is a misnomer or even a mockery without India actually taking over the management of her own defence. The Congress demand which Mahatmaji placed on the R. T. C. table would not of course stop short of the whole military policy and department being placed under Indian legislature and cabinet in the near future. This proved too outrageously daring a scheme for the general body of R.T.C. delegates to accept. It was not even in the interests of India. Still a formula sufficiently wide and elastic to accommodate both the interests of India and of Great Britain was adopted by which "the defence of India was increasingly to be the concern of the Indian people." But the White Paper proposals and the J.P.C. Report did little to translate this accepted principle from the cloud-land of pious hopes to the realm of actualities.

XXXVII. INDIANISATION

The first question was of Indianisation. Though an initiative was at last taken in respect of the matter of Indianisation, the rate of advance was far too slow to raise or sustain a hope that the Army might be completely or even substantially Indianised in the life time, not of this, but of the rising generation. Except upon a larger and more generous scale, it is feared that Indianisation would never be an accomplished fact. Some past Committees appointed to thresh out the question had put forward schemes which if worked out might have brought about the consummation within 40 or 50 years. But there

seems to be no inclination in the quarters of highest authority as yet to make the process of Indianisation anything else than a process of asymptotic approximation. It is even feared that such approximation may not at time be suffered to lower a certain level of British "efficiency" and encroach upon a certain margin of imperial security. But it has never been proved that, given opportunities, Indian men and officers can never hope to reach the British standard of efficiency, and it has never been contested that in the actual fire of the ordeal, they have not been found in the past and will not again be found in the future as strong and trusted a bulwark of imperial defence as any other body of men in the British Commonwealth of Nations.

Besides this question of Indianisation, there is the question relating to the purpose for which primarily the Indian Army must be maintained. Is it for imperial purposes or for the purposes of Indian defence? If it be for the former, then the Empire must shoulder an equitable share of the Indian military burden, and further, India must be given an equitable share in the determining of imperial military policy. A small capitation concession from the Home Government is not alone sufficient to meet the ends of justice in this case. If it be for the purposes of Indian defence only, then India can be left to cut her military coat according to her actual financial and political cloth. It is clear that the question of purpose is the key problem which being solved other problems such as Indianisation, a proportionate military budget, and many other things should admit of an easy solution. Many post-mutiny features of military policy and administration in India which to-day should strike one as anomalous are likely to disappear if that policy and administration be re-inspired by a new purpose. The key-note of that new purpose should be responsibility and trust. If you do not trust a people with responsibility in their defence, you do not really trust them in anything else. But we need not enlarge upon this.

XXXVIII. COTTON PROTECTION BILL

Leaving this matter, we come to another which caused not a little stir in the legislature—we mean the Indian Tariff Amendment (Cotton Protection) Bill. On March 14, the Bill was referred to a Select Committee. The problem of imposing protective duty on cotton textile etc. is, as Sir Joseph Bhore admitted, a problem of great complexity. But it may again be pointed out that the exceptional degree of the complexity of the problem is attributable in no small measure to the "vicious circle" in which Indian industry has so long been imprisoned. The fate of Indian industry is not woven mainly on Indian looms. India supplies no doubt the "raw material". But the threads of her industrial destiny can neither be made nor woven in to shape by her. Let us waive this fundamental point, however. We quote a few lines from the Press summary of Sir Joseph Bhore's speech—"although the progress of the industry under protection during the past years had not been very satisfactory, it had been notable, which justified the continuance of the protection. The reason why the recommendations of the Tariff Board could not be given effect to in their entirety was the conclusion of the Indo-Japanese Trade Agreement and the Mody-

Clare-Lees Pact. The fixation of quota in the Indo-Japanese Trade Agreement reduced Japanese competition, and the Mody-Lees Pact dealt with competition of the next competitor, namely, the United Kingdom." The Commerce Member then proceeded to explain why Government had accepted the Bombay-Lancashire Pact. But we need not follow him there. It was a pact between Bombay Millowners' Association and Lancashire. Now, the first party to the Agreement was no doubt an important and influential body, but as Mr. N. M. Joshi rightly observed, it was wrong in principle for the Government to accept an agreement entered into by private organisations, one in Lancashire and the other here, because India's tariff policy could legitimately be dictated by one body alone, namely, the Legislature. By accepting the Pact, Government had deprived the Legislature of its rights, and the Commerce Dept. had, in the same breath, abdicated its function. Mr. K. C. Neogy challenged the right of the Bombay Mill-owners to speak for and negotiate on behalf of the whole Indian textile industry in view of the fact that other provinces were creating their industries ministering to their own textile needs, and Bombay which had already lost its monopoly in the industry could not be given a monopoly of voice in any bargain sought to be made with an outsider. Mr. B. Das characterised the Pact as anti-national, and contended that little heed had been paid to the interests of the handloom weavers. Members asked what India would get in reality for the 25 p. c. preference given to Lancashire. Was it a price paid to buy the good-will of all-powerful Lancashire in the matter of the Indian constitutional reforms ? Was it sound policy to make economic concessions of a substantial kind for the purpose of securing shadowy political ends ? Was there any guarantee forthcoming from mighty Lancashire that it would throw its weight on the side of the Indian Dependency when it should claim equality of status with other parts of the British Empire ? Was the Imperial preference given to Lancashire in the nature of a free gift, or was it something "wrested" from India because she was not yet able to guard her own tariff walls ? These were some of the questions raised in the course of the debate. Of course the Commerce Member might say that the Government had only provisionally accepted the Pact subject to "ratification" by the House. But this "House" was not yet what such "Houses" are in the democratic countries. With a House constituted as it was, it was possible for the official block to carry the Ottawa Agreement through and also other measures which were not exactly hailed with a chorus of hallelujah in the country. And would the Government take their hands off a business upon which Simla and Whitehall had made up their minds, but in which they happened to lack the backing of their Indian Legislature ?

XXXIX. PRINCES' PROTECTION BILL

The next legislative item of importance was the Princes' Protection Bill. Non-official members—that is to say, the progressivist elements amongst them—questioned the advisability of enacting a drastic legislation which sought to encroach upon the fundamental and ordinary rights of association and expression of opinion on public matters by

citizens living under a civilised Government." It was contended that the effect of Clause (3) would be a substitution of executive action for judicial procedure. Clause (5) of the Bill which empowered Magistrates to prevent associations etc. was in fact very different from Sec. 144 Criminal Procedure Code on which it was supposed to have been modelled. 144 Cr. P. C. sought to secure peace only under a certain emergency by means of summary trial. And a very pertinent question was asked by Mr. K. C. Neogy—"Now that the Paramount Power through its mouthpiece, the Government of India, has come to seek the help of this legislature for the proper discharge of their obligations, is this House not entitled to ask what the Government will do to discharge their corresponding and equally solemn obligations to the States' people?" Mr. C. S. Ranga Iyer said—"As the Federation was in sight, we should strongly support the measure which would go a long way in enlisting the Princes' sympathy for joining the Federation." But was Federation in sight, and was it Earthly Paradise?

XL. SIR HARRY ON THE BILL

Sir Harry Haig, in replying to the debate, claimed that the Bill was in part very definitely required in the interest of British India, as movement of Jathas stirred up feeling in British territory, and obviously, it was in the interest of States as well that such a movement should not develop and be directed against their administration". It was, therefore, immaterial whether or not the States had made a formal request for legislation. It would have been a different matter if the States had been actually opposed to the legislation. As regards the proposed measure and Sec. 144 between which a comparison had been made, Sir Harry Haig observed—"Sir Abdur Rahim had put the case with moderation, but Sir Abdur's angle of vision was different from ours. We, with an executive mind, believe in prevention, while Sir Abdur preferred, 'let the offence be committed, and then punish it.' The official case was not that the measure was one of emergency. If it had been, it would have been included in the Ordinance Law. Such powers had existed for twelve years under the old Press Law." Replying to the criticism that the powers which the Bill proposed to confer on District Magistrates were too wide, which they could not be expected to exercise intelligently in all cases, the Home Member put in a vigorous defence for "the man on the spot," who would naturally be fully aware of what was happening in his own district or across the border (that is, in a State adjoining his district), so there was every reasonable assurance that his judgment would be based on knowledge. Besides, the proposed powers could only be exercised in districts to which the Local Government had applied the Sections of the Act by previous Notification. Referring to the suggestion that under the provisions of the Act even Conferences of States' subjects might be prohibited, Sir Harry remarked—"I think that the suggestion could only be made by those who believe that the executive acts always in a most arbitrary manner and without regard to the provisions of the law."

XLII. PRESS SECTIONS OF THE BILL

We do not propose to follow the course of the Bill when it came to be discussed clause by clause. Some of the hottest battles—the issue of which was, however, foregone—were fought round the Press Sections of the Bill. The Home Member assured that Government had no intention to penalise well-conducted and honest papers. But no body had ever accused them of entertaining such intentions. Government had always discriminated between what they considered honest and well-conducted and what they did not so consider, in journalism and other things, including even Swadeshi. The scale of discrimination again had not been uniform in all the provinces. Possibly because a rigidly uniform scale would not suit the varying requirements of the provinces. Where the Indian publicist would join issue with the Government was not that, but it was the latter's definition of honesty and good behaviour. But let us pass on. It had been suggested also that any State could ban the entry of any papers it did not like, and that as a matter of fact, some of the States had been banning some of the offending papers. So the proposed Bill was unnecessary. But the Home Member reminded the House that Indian India had no Chinese Wall around it to keep it secluded from political and other influences of British India, and that "materials" were practically the same on either side of the border. An wave of political or economic earthquake which had its epicentre in British India, would easily cross the frontier and work mischief in Indian India, and vice versa.

XLII. MATTERS OF MOMENT

Now we leave the Legislative Hall and take a rapid survey of some matters of moment outside. The month of April opens with a move by some of the Congress leaders headed by Dr. Ansari to revive the Swaraj Party. It was stated that a letter was received by Mr. Munshi from Mahatma Gandhi in which the opinion was expressed that the decisions of the Poona Conference could not be altered till an honourable settlement was arrived at with the Government but that "those who wished to chalk out a supplementary programme should do so, and that Gandh ji would welcome it". The object of the proposed party was of course to fight the Assembly elections on the Congress ticket. The Congress had been for some time past practically a defunct organisation, which, however, did not mean that its influence in the country was dead or even on the wane. The proposed Swaraj party was therefore naturally anxious to receive the blessings of Mahatma Gandhi on a venture which had so long been taboo. They should not even appear to revolt from the Congress. Congress prestige in the country was still so great that no "revolting" party would have a chance in the elections. This decision of a section of Congressmen to enter legislatures was welcome even to non-official Assembly quarters. The opposition to the Assembly had been hopelessly weak since the time the old Swaraj Party had severed its connection with it, and the whole position had been disreputable. The Assembly had ceased to reflect the opinion in the country. Now the return of the Congress party would of

course change the whole position. The legislature would be more representative in character, and the Government side would be denied the habitual delight of an easy walk-over in respect of whatever matter it chose to bring forward. On April 1, the Leaders' Conference unanimously decided to send a deputation to Mahatma Gandhi to consult him on the issues and seek his approval.

XLIII. GANDHIJI'S STATEMENT

On April 7, Mahatma Gandhi issued a Statement to the Press on the issue before the country. The Statement, as he told us, was the result of "an intense introspection, searching of the heart and waiting upon God". It carried with it reflection upon no single individual. It was an admission of his own limitations. "I was Blind." Though the Statement will be found reproduced in full elsewhere, it was so important that some portions of it deserve incorporation in the Introduction itself. After stating that he had been blind so as not to see some of the weaknesses manifesting themselves in some unexpected quarters in the conduct of the Satyagraha Movement, Gandhiji proceeded to say:—

"Blindness in a leader is unpardonable. I saw at once that I must for the time being remain the representative of civil resistance in action. During the informal conference week at Poona in July last, I had stated that while many individual civil resisters would be welcome, even one was sufficient to keep alive the message of Satyagraha. Now after much searching of the heart, I have arrived at the conclusion that in the present circumstances only one, and that myself and no other, should for the time being bear the responsibility of civil resistance if it is to succeed as a means of achieving Purna Swaraj.

"I feel that the masses have not received the full message of Satyagraha owing to its adulteration in the process of transmission. It has become clear to me that spiritual instruments suffer in their potency when their use is taught through non-spiritual media. Spiritual messages are self-propagating. The reaction of the masses throughout the Harijan tour has been the latest forcible illustration of what I mean. The splendid response of the masses has been spontaneous. The workers themselves were amazed at the attendance and the fervour of vast masses whom they had never reached. Satyagraha is a purely spiritual weapon. It may be used for what may appear to be mundane ends and through men and women who do not understand its spiritual (ends), provided the director knows that the weapon is spiritual.

"Everyone cannot use surgical instruments. Many may use them if there is an expert behind them directing their use. I claim to be Satyagraha expert in the making. I have need to be far more careful than the expert surgeon who is complete master of his science. I am still a humble searcher. The very nature of this science of Satyagraha precludes the students from seeing more than the 'step immediately in front of him.'

"The introspection promoted by the conversation with the Ashram inmates has led me to the conclusion that I must advise all Congress-

men to suspend civil resistance for Swaraj as distinguished from a specific grievance. They should leave it to me alone. It should be resumed by others in my life-time only under my direction, unless one arises claiming to know the science better than I do and inspires confidence. I give this opinion as the author and instigator of Satyagraha. Henceforth, therefore, all who have been impelled to civil resistance for Swaraj under my advice directly given or indirectly inferred will please desist from civil resistance. I am quite convinced that this is the best course in the interest of India's fight for freedom.

"I am in deadly earnest about this greatest of weapons at the disposal of mankind. It is claimed for Satyagraha that it is a complete substitute for violence or war. It is designed, therefore, to reach the hearts both of the so-called "terrorists" and the rulers who seek to root out the "terrorists" by emasculating the whole nation. But the indifferent civil resistance of many, grand as it has been in its results, has not touched the hearts either of the "terrorists" or the rulers. Unadulterated Satyagraha must touch the hearts of both. To test the truth of the proposition, Satyagraha needs to be confined to one qualified person at a time."

Gandhiji asked the civil resisters "to learn the art and the beauty of self-denial and voluntary poverty". They must engage themselves in nation-building activities—the spread of khaddar, promotion of communal amity, removal of untouchability etc. "Let it be understood that civil resistance is for those who know and perform the duty of voluntary obedience to law and authority". In making the above recommendation, Gandhiji made it clear that he was by no means usurping the function of the Congress, but that he was merely giving his advice.

XLIV. DR. ANSARI'S STATEMENT

Dr. Ansari issued a Statement on the parley of the Swaraj Party with Mahatma Gandhi at Patna. In the course of the Statement it was said—"With his characteristic generosity he has cordially welcomed the revival of the Swaraj party and has endorsed the decisions of the Delhi conference to take part in the forthcoming elections to the Assembly. Although his own opinion regarding the utility of legislatures remains what it has always been, he considers it the right and duty of Congressmen who are not offering civil resistance and who believe in work in legislatures to prosecute the programme which they believe to be in the interest of the country. He goes even further and promises at all times to render assistance to the Swarajya party as lies in his power to give.

"This whole-hearted and spontaneous support of Mahatma Gandhi has happily removed all chances of opposition and division within the Congress. It has further made certain the cooperation and coordination of different groups of Congressmen. I feel confident that with the revival and reorganisation of the Swarajya Party and the placing of a practical effective and dynamic programme of work before the Congress and the country, it will be possible not only to remove the political inertia and sullen discontent among the intelligentsia and the people, but also to demonstrate that in our campaign against the dual policy of the Government, namely, repeal of repressive laws and rejection of

the White Paper constitution, along with the placing of the national demand, we have the entire support of the whole country behind us. Apropos the national demand, I must state that an agreed communal settlement is an important and integral part of the demand. The Swarajya party would make achievement of communal unity the most important part of its programme and would naturally endeavour to utilise every available means to achieve it. I have not the slightest doubt about the genuineness of Mr. Jinnah's efforts to bring about unity, but I cannot help feeling that there is room for improvement in his formula to make it acceptable to every group among the Mussalmans as well as among the sister communities."

XLV. A. I. C. C. MEETING AT PATNA

The Government accepted, and they acted wisely in doing so, the challenge of the Ranchi decisions by which some Congressmen had determined to set up a machinery within the Congress for the purpose of contesting elections to the legislatures. Government on their side decided not to prolong the life of the Assembly. They would not stand in the way of elections coming in due course. The Ranchi decisions were naturally sought to be approved by a meeting of the All-India Congress Committee at Patna in May. Mahatma Gandhi actively participated. The Resolution passed by the A. I. C. C. appointed Pandit Malaviya and Dr. Ansari to form a Board, with the latter as President, called the Congress Parliamentary Board, consisting of not more than 25 Congress members to run and control the elections to the legislatures, the Board to be subject to the control of the A. I. C. C. Mahatma Gandhi in the course of his reply to the debate made it clear that the resolution did not want those who did not believe in legislatures to change their opinion and advocate the cause of Council-entry, but as some Congressmen believed that they could render service through the Councils, the A. I. C. C. resolution permitted them to do so. He himself had no faith in the Council programme. By the terms of the resolution only Congressmen could be selected as candidates. And as Gandhiji explained it would not be proper to transform the entire A. I. C. C. into an election board, because in that case the entire Congress became a Council party. "The real strength of the Congress", said the Mahatma, "will come only through civil disobedience and constructive programme". The Parliamentary Board should have the same autonomy as the All-India Spinners' Association except that, as Council work involved political matters, the A. I. C. C. would exercise the right of developing ideas on which the Council work should proceed. Babu Sri Prakash and Acharya Narendra Dey moved a Socialist amendment to the main resolution recommending the adoption of the socialist programme. But the amendment was not carried. It was questioned whether in view of the past decisions of the full and open Congress they could change their plan of operations in some of their essentials. But the A. I. C. C. gave a line clear to the Parliamentary Board, though an open session was to be called in October.

There were various other matters of moment in various other spheres of Indian interest, but we shall not take up them for narrower inspection. They will be found in their places in the Register.

XLVI. CONCLUSION

In concluding the Introduction we take leave of politics and once more invite the attention of all serious men and women to the very foundations upon which alone a stable and noble structure of Indian Nationalism can be raised. An idea of what we mean may be gathered from the following reprint of cuttings from two articles we recently contributed to *Amrita Bazar Patrika* (Jan. 23rd and March 5, 1935) :—

“Our vital centres are not dead : they are only in a state of suspended animation. Possibly it is a swoon which is helping India to recuperate and refill her depleted energies. The veneer of exotic culture is acting as a blister to provoke a vital reaction. It is the upper ‘arani’ (sacrificial wood) which by its friction is helping to kindle the inner ‘arani’. So it has its use in the vital economy of India living out of her being again. In the phraseology of Indian wisdom the inner ‘sattawa’ of Indian being benumbed under the accumulated dead weight of ‘tamas’ is now being released into renewed activity under the ‘rajasika’ impact of an alien civilisation.

“But whilst the foreign blister is helpful in a way, its random application where it should be applied or its reckless continuance where its use is no longer indicated or called for, is not unattended with grave risk. In a case of radium cure radiations are useful only within limits. It is surely not the case of “the more the merrier”. The most vitally useful effect of the foreign blister is to produce an explosive expansion. So far as this explosion may be rendered into a release of the arrested, inhibited vital centres and their consequent bid for freedom of action ; in other words, so far as this process means a release and thawing of the deeper springs of life, it is helpful. But where and to the extent the explosion tends to explode and destroy the vital centres themselves and not simply remove the blocks arresting the course of their free, healthy action, it is harmful. As in the case of the healing art, so here there is every likelihood of a given curative agent proving useful within limits and harmful when exceeding those limits. The blister must therefore be applied with wisdom and care. The past history of the import and use of the foreign blister in India does not show that these were made with either wisdom or care. The process was governed more by considerations of surface needs—by political convenience and expediency among other things—than by consideration of the deeper needs of Indian education and fulfilment.

“It has not been productive of results of unmixed or even preponderating good. In some cases it has been productive of more evil than good. The classes and the masses, the womanhood and the manhood, the urban folk and the country folk, the Sannyasins and the householders have not all been uniformly and equally affected either in quality or in quantity. The so-called intelligentsia and peoples living in urban or industrial areas have been more prejudicially affected than others. They have been as a rule more thoroughly de-Indianised. They have not become less and less truly Indian by becoming more and more truly international and cosmopolitan. Young India of either sex has been labouring under a delusion that in its present feverish bid for “modernism” it is leaving behind only what is of antiquated, worn-out,

vanquished value, and making a dash for not only what is the newest and latest but also the fittest and best.

"It is also well to bear in mind that in spite of all the diversity of races, religions and languages in India, there subsists a unity of a very fundamental kind which is not simply geographical unity or a political one due to our all having to serve a common master. There is such a thing as a common Bharata Dharma or Indian Culture, of which the various creeds and sects are but so many differing Component expressions. They are but differing notes of one grand, beautiful Symphony. Even the Indian Mussalman and the Indian Parsee, not to speak of the Sikh, Jain, Buddhist and "Animist"—live, move and have their being in a common vital plenum of Indian Culture. It is wise to recognise and emphasise the community of the deeper, fundamental interests, material and spiritual, of all Indians as Indians ; and it is unwise to set them by their communal ears as we have been doing now.

"But this brings into prominence the need for defining, classifying and interpreting as clearly as possible Bharata Dharma or Indian Culture. Of course there are different lines of approach to this central Problem. The Hindu will do well to make his approach along his line. And so others. The important thing is to make the most effective approach. Such approach is convergent, not divergent. Until we are able to reach down to our "vital centres" and re-establish "our" connections with them, we shall never know what we are about in politics or in education or in anything else. Till then we are only the dead frog galvanised.

"We have spoken of Bharata-Dharma or Indian Culture, its Seed and Soil Factors, its common Idea and Form and their differing component expressions. All varieties of racial and cultural plants, some of them originally exotic, are now acclimatized in India and bear a common stamp of distinctive Indian pattern or type. To use another figure, they have a common Mother India, adopted in some cases, Who has nursed them by the milk of Her own breast. By that milk of Light and Love their bone and flesh, material as well as cultural, have formed. The Indian Hindu, Mussalman, Sikh, Buddhist and others have thus been fellows in a common Indian Nursery. Their affinities are more vital and fundamental than their divergences. This is so even in their Religion. In fact the affinity is the deepest in Religion. For religion in the sense of Dharma is one, though creeds and sects are many. By the Seed Power of India the divergent creeds and sects, which collide elsewhere, have tended to coalesce in their kernel of spirit without having to discard their differing husk of form. It is not only by the deeper affinities of Sufism and other mystic cults that the Indian Mussalman has felt his spiritual contact with the Hindu. Points of contact have also been established in several matters of social behaviour and cultural form. The mortal remains of Kabir, the great Indian Saint, were claimed by both. This was emblematic of the true spiritual brotherhood of the two.

"In Kavir they had found the common milk and sap of their inner life. Rise above the dust storms of communal passion and sectarian prejudices, and behold how religions and cultures, in their serene altitudes, blend into a harmony of Light and Love, Yearning and

vour. It has ever been the special function of Bharata—Bharata-Shakti—to raise all warring elements out of their chaos of conflict and confusion and vouchsafe to them a vision of peace and harmony. Yet no particular element has been required to sacrifice its individuality. Each note, each tune has been not only suffered but encouraged to remain as such. Only it is to obey the rule of proportions and fitness of things. It is to be pure, accommodating, melodious. It is not to jar and jam, impose and interfere. The Seed Power of India has nowhere been so manifest as in the way the Indian Mussalman has not only approached the spirit but mastered the form of Indian classical Music—the Ragas and Reginis. He has of course contributed his own expression to some of them. But this is as it should be. And be it remembered that Music is the most vital of the vital springs of life. If the Hindu and the Indian Mussalman could "drink" together at this common spring of life, was there any compelling reason that they must fight over mirages of shadowy communal gaius in a desert of common, dreary destitution? Sinister disruptive influences have been at work. But for them, and left to the normal functioning of her own Power, India tends, and has always tended, to build up a Synthesis of Races and Religions, Creeds and Cultures. The West, with its material over-emphasis and sense-circumscribed outlook, has proved a pulveriser. Its way has been to create strife. Over strife it throws a cloak of false unity such as nationalism or internationalism. Its open peace conferences are screened Staff Council meetings for war. Even its "missions" are evangelic (or demoniac?) aerial bombing. Yet there is lip profession to Christianity—one of the sweetest and beautifulst Form of the Soul visions of the East.

"This spirit of strife and discord is abroad: here also. In spite of her many divergent races, religions, cultures and languages, India was able to forge fundamental links to hold and increasingly harmonise them. The cement in the deeper beds was setting even under the stress of surface divergences and disturbances. Now the fundamental links are snapping, the cement is being pulverised under a false mask of political, economic or social equalisation. While our lips are crying "Unity", our souls are losing Amity; while our heads are planning "Federations", our hearts are losing Love and Fellowship born of Love. Our patriotism is selfishness organised; our nationalism communism counter-manoeuvring one another.

"All this threatens to attack and disintegrate the Centre of the Seed Power of Bharata-Varsha. To imagine, as we have been imagining, that strife in the present sense is life is delusion and snare. It is like the delusion that arming for war is the best insurance against war. What makes for Life is not a scramble for a bite of others' flesh, but fight against the greed of flesh and for the truly vital values of life. The mystical East was impractical and a dreamer of dreams because, till lately, she did not evolve the tank and sixteen-inch dragon on land, the dreadnaught and submarine monster in water and the aerial asphyxiating demon in the sky. She was dreaming of the struggle by which Spirit gains mastery over flesh, and of the victory which spells the emancipation and freedom of Spirit. To-day the Near East, Middle East and Far East have permitted themselves to be

shaken from their "dream", and commenced "life". Life in the true Eastern, particularly Indian, sense is fast becoming an archaeological specimen. It is not because that Life has been or can be "cornered" and is ceasing to live. It is because we in our hypnotic hysteria and slaving somnambulism have turned our back upon Life and dashing headlong into the abysmal pit of the common crater of the cataclysmic volcano on which the West now stands and is pulling all the world down into a common destruction by fire and brimstone.

"This headlong plunge into a common destruction and perdition is called "moving with the times". It is "progress". To keep or try to keep one's feet in this senseless rush is to "vegetate", to lag behind. All this means not only myopia but total loss or perversity of vision.

"Yet this is not a note of Despair. The myopia or the blindness is not yet organic. It is still a superimposed phenomenon. It can be cured. In the Ancient Wisdom of India we are instructed : The Face of Truth is hidden in a Gold Vase with a covering lid. O Pushan, have the lid removed that we may be vouchsafed a Vision of the True Norm—Satya Dharma. Can we to-day wring out of our very souls a sigh, an yearning for this?" (*Specially contributed by Prof. Pramathanath Mukhopadhyaya.*)

**Proceedings of
The Legislative Assembly
And
The Council of State
January—June 1934**

THE LEGISLATIVE ASSEMBLY

LIST OF MEMBERS

President—

THE HONOURABLE SIR SHANMUKHAM CHETTY.

Nominated—(41) (a) Officials—(26)

1. THE HONOURABLE SIR JOSEPH BHORE
2. THE HONOURABLE SIR FRANK NOYCE
3. THE HONOURABLE SIR NRIPENDRA SIRCAR
4. THE HONOURABLE SIR PERCY JAMES GRIGG
5. THE HONOURABLE SIR HENRY CRAIK
6. P. R. RAU, ESQ.
7. G. S. BAJPALI ESQ.
8. H. A. F. METCALFE, ESQ.
9. LIEUT. COLONEL A. F. R. LUMBY
10. A. J. RAISMAN, ESQ.
11. E. W. PERRY, ESQ.
12. K. SANJIVA ROW, ESQ.
13. C. M. TRIVEDI, ESQ.
14. V. RAMAKRISHNA, ESQ.
15. KHAN BAHADUR MIR ZYN-UD-DIN
16. RAO BAHADUR KRISHNA REDDI B. BHADRAPUR
17. HAMID A. ALI, ESQ.
18. J. M. CHATTERJEE, ESQ.
19. SHAMS-UL-ULAMA MR. KAMAL UDDIN AHMAD
20. KHAN BAHADUR ABOO ABDUL LAH MD. ZAKAULLAH KHAN
21. KHAN BAHADUR MIAN ABDUL AZIZ
22. P. P. SINHA ESQ.
23. D. J. N. LEE, ESQ.
24. W. L. SCOTT, ESQ.
25. S. G. GRANTHAM, ESQ.

From Berar—(1).

S. G. JOG, ESQ.

(b) Non-Officials—(14).

1. SARDAR BAHADUR SARDAR SIR JAWAHAR SINGH
2. RAI BAHADUR SIR SATYA CHARAN MUKHERJEE
3. RAO BAHADUR M. C. RAJAH

4. R. S. SARMA, ESQ.

5. N. M. JOSHI, ESQ.

6. KHAN BAHADUR MAULVI RAFI-UDDEEN AHMED

7. DR. R. D. DALAL

8. DR. FRANCIS XAVIER DESOUZA

9. HONY. CAPTAIN RAO BAHADUR CH. LAL CHAND

10. CAPTAIN SHER MOHAMMAD KHAN

11. MAJOR NAWAB AHMAD NAWAZ KHAN

12. L. C. BASS, ESQ.

13. KHAN BAHADUR MALIK ALLAH BAKHSH KHAN TIWANA

14. LIEUT-COLONEL SIR HENRY GIDNEY

Elected—Non-Officials—(104).

(1) Madras—16.

1. M. R. RY. DIWAN BAHADUR A. RAMASWAMI MUDALLAR
2. B. SITARAM RAJU, ESQ.
3. RAO BAHADUR MOTHAY NARASIMHA RAO
4. M. R. RY. PONAKA GOVINDU REDDY GARU
5. T. N. RAMAKRISHNA REDDI,
6. THE HONOURABLE SIR SHANMUKHAM CHETTY
7. DIWAN BAHADUR T. RANGACHARIAR
8. RAJA BAHADUR G. KRISHNAMACHARIAR
9. M. R. RY. B. RAJARAM PANDIAN AVARGAL
10. K. P. THAMPAN, ESQ.
11. MOHAMED MUAZZAM SAHIB BAHADUR
12. MAULVI SYED MURTUZA SAHIB BAHADUR
13. KOTTAL UPPI SAHEB BAHADUR
14. F. E. JAMES, ESQ.
15. RAJAH SIR VASUDEV RAJAH VIDYA SAGAR PANDYA, ESQ.

(2) Bombay—16.

17. NAOROJI M. DUMASIA, ESQ.
18. SIR COWASJEE JEHANGIR
19. DIWAN LALCHAND NAVALRAI
20. N. N. ANKLESARIA, ESQ.
21. SIR IBRAHIM RAHIMTOOLA

MEMBFRS OF THE LEGISLATIVE ASSEMBLY

22. B. V. JADHAV, ESQ.
 23. N. R. GUNJAL, ESQ.
 24. RAO BAHADUR, B. L. PATIL
 25. RAHIMTOOLA M. CHINOY, ESQ.
 26. SETH HAJI ABDoola HAROON
 27. NAWAB NAHARSINGJI ISHWAR-SINGJI
 28. SIR LESLIE SEWELL HUDSON
 29. A. DUGUID, ESQ
 30. SARDAR G. N. MUJUMDAR
 32. H. P. MODY, ESQ
 33. C. C. BISWAS, ESQ
 34. NABAKUMAR SINGH DUDHORIA, ESQ
 35. BABU AMAR NATH DUTT
 36. PANDIT SATYENDRANATH SEN
 37. BABU KSHITISH CH. NEOGY
 38. S. C. MITRA, ESQ
 39. SIR ABDUR RAHIM
 40. SIR ABDULLA-AL-MAMUN SUHRAWARDY
 41. A. H. GHUZNAVI, ESQ
 42. HAJI CHAUDHURY MOHAMMAD ISMAIL KHAN
 43. MD. ANWAR-UL-AZIM, ESQ
 44. K. AHMED, ESQ
 45. SIR DARCY LINDSAY
 46. E. STUDD, ESQ
 47. G. MORGAN, ESQ
 48. SRIJUT DHIRENDRA KANTA LAHIRI CHAUDHURY
 49. SATISH CHANDRA SEN, ESQ
- (4) *United Provinces—16*
50. LALA RAMESHWAR PRASAD BAGLA
 51. CHAUDHRI ISRA
 52. RAI BAHADUR KUNWAR RAGHUBIR SINGH
 53. C. S. RANGA IYER, ESQ
 54. A. HOON, ESQ
 55. A. DAS, ESQ
 56. RAI BAHADUR L. BRIJ KISHORE
 57. SARDAR NIHIL SINGH
 58. KHAN BAHADUR HAJI WAJID HUDDIN
 59. KUNWAR HAJEE ISMAIEL ALI-KHAN
 60. MUHAMMAD YAMIN KHAN, ESQ
 61. MAULVI SIR MOHAMMAD YAKUB
 62. DR. ZIA UDDIN AHMAD
 63. MOHAMED AZHAR ALI, ESQ
 64. J. R. SCOTT, ESQ
 65. LALA HARI RAJ SWARUP
- (5) *Punjab—12*
66. BHAI PARMA NAND
 67. JAGAN NATH AGGARWAL, ESQ
68. B. R. PURI, ESQ
 69. HONY. LIEUT. NAWAB MD. IBRAHIM ALI KHAN
 70. SHAIKH SADIQ HASAN
 71. MIAN MOHAMMAD SHAH NAWAZ
 72. MAJOR NAWAB MALIK TAILB MEHDI KHAN
 73. KHAN SAHIB SHAIKH FAZAL HAQ PIRACHA
 74. KHAN BAHADUR MAKHDUM SAYAD RAJAN BAKHSH SHAH
 75. SIRDAR HARBANS SINGH BRAR
 76. SARDAR SANT SINGH
 77. SIRDAR SOHAN SINGH
- (6) *Bihar and Orissa—12*
78. PANDIT RAM KRISHNA JHA
 79. BABU GAYA PRASAD SINGH
 80. BABU SITAKANTA MAHAPATRA
 81. B. DAS, ESQ
 82. RAI SAHIB BADRI LAL RASTOGI
 83. KUMAR GUPTESHWAR PRASAD SINGH
 84. RAI BAHADUR SUKHRAJ ROY
 85. THAKUR MAHENDRA NATH SHAI DEO
 86. M. MASWOOD AHMAD, ESQ
 87. MAULVI BADI-UZ-ZAMAN
 88. MAULVI MUHAMMAD SHAFFEE DAOODI
 89. BHUPUT SING, ESQ.
- (7) *Central Provinces—5*
90. RAO BAHADUR S. R. PANDIT
 91. SIR HARI SINGH GOUR
 92. SETH LILADHAR CHOUDHURY
 93. KHAN BAHADUR H. M. WILAYATULLAH
 94. GOSWAMI M. R. PURI
- (8) *Assam—4.*
95. T. R. PHOOKUN
 96. KUMAR GOPIKA ROMON ROY
 97. ABDUL MATTIN CHOUDHURY
 98. F. W. HOCKENHULL
- (9) *Burma—4*
99. JEHANGIR K. MUNSHI
 100. U. KYAW MYINT
 101. U. BA MAUNG
 102. W. J. C. RICHARDS
- (10) *Delhi (1)*
103. BHAGAT CHANDI MALGOLA
- (11) *Ajmer-Merwara*
104. DIWAN BAHADUR HAR BILASA SARDA

THE COUNCIL OF STATE

LIST OF MEMBERS

President—

THE HONOURABLE SIR MANECK-JI BYRAMJI DADABHOY

Nominated—(a) Official—(12)

1. HIS EXCELLENCE FIELD MARSHAL SIR PHILIP W. CHETWODE, BART.
2. THE HONOURABLE KHAN BAHADUR MIAN SIR FAZL-I-HUSSAIN
3. THE HONOURABLE MR. M. G. HALLETT
4. THE HONOURABLE MR. T. A. STEWART
5. THE HONOURABLE SIR GUTHRIE RUSSELL
6. THE HONOURABLE MR. D. G. MITCHELL
7. THE HONOURABLE SIR ALAN PARSONS
8. THE HONOURABLE MR. R. E. L. WINGATE
9. THE HONOURABLE MR. G. H. SPENCE
10. THE HONOURABLE MR. F. W. STEWART.
11. THE HONOURABLE MR. H. S. CROSTHWAITE.
12. THE HONOURABLE MR. C. L. PHILIP

(From Berar) (1)

THE HONOURABLE MR. GANESH SRIKRISHNA KHAPEARDE

(b) Non-Officials—(13)

1. THE HONOURABLE SIR DAVID DEVADOSS
2. THE HONOURABLE DIWAN BAHADUR SIR K. RAMUNI MENON
3. THE HGNOURABLE KHAN BAHADUR DR. SIR N. CHOKSY
4. THE HONOURABLE SIR GHULAM HUSSAIN HIDAYATALLAH
5. THE HONOURABLE NAWAB KHWAJA HABIBULLAH
6. THE HONOURABLE MR. BIJAY KUMAR BASU

7. THE HONOURABLE MAHARAJA JAGADISH NATH RAY
8. THE HONOURABLE SAIVID RAZA ALI
9. THE HONOURABLE RAI SAHIB PANDIT GOKARAN NATH UGRA.
10. THE HONOURABLE RAJA CHARNJIT SINGH
11. THE HONOURABLE NAWAB MALIK MUHAMMAD HAYAT KHAN NOON
12. THE HONOURABLE MAHARAJA DHIRAJA SIR KAMESHWAR SINGH
13. THE HONOURABLE MAJOR NAWAB SIR MOHAMED AKEAR KHAN

Elected—Non-officials (33)

1. THA HONOURABLE RAJA SIR ANNAMALAI CHETTIYAR
2. THE HONOURABLE MR. YARLA-GADDA RANGANAYAKALU NAIDU
3. THE HONOURABLE MR. V. C. VELLINGIRI GOUNDER
4. THE HONOURABLE DIWAN BAHADUR G. NARAYANASWAMI CHETTI
5. THE HONOURABLE SAIVAD MOHAMMED PADSHAH SAHIB BAHADUR
6. THE HONOURABLE SARDAR SHRI JAGANNATH MAHARAJ PANDIT
7. THE HONOURABLE SIR HOMI MEHTA
8. THE HOHOURABLE SIR PHIROZE C. SETHNA
9. THE HONOURABLE SIRDAR SAHEB SIR SULEMAN CASSIM HAJI MITHA
10. THE HONOURABLE MR. ALLI BUKSH MOHAMED HUSSAIN
11. THE HONOURABLE MR. E. MILLER
12. THE HONOURABLE MR. JAGADISH CHANDRA BANERJEE
13. THE HONOURABLE KUMAR NRI-PENDRA NARAYAN SINHA

MEMBERS OF COUNCIL OF STATE

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|---|--|
| 14. THE HONOURABLE MR. SATYENDRA CHANDRA GHOSH MAULIK | 24. THE HONOURABLE SARDAR BUTA SINGH |
| 15. THE HONOURABLE KHAN BAHDUR SYED ABDUL HAFFEZZ | 25. THE HONOURABLE KHAN BAHDUR CHAUDRI MUHAMMAD DIN |
| 16. THE HONOURABLE MR. MAHMUD SUHRAWARDY | 26. THE HONOURABLE NAWAB SAHIB-ZADA SAYAD SIR MOHAMMAD MEHR SHAH |
| 17. THE HONOURABLE MR. S. D. GLADSTONE | 27. THE HONOURABLE RAI BAHADUR RADHA KRISHNA JALAN |
| 18. THE HONOURABLE RAI BAHADUR LALA MATHURA PRASAD MEHROTRA | 28. THE HONOURABLE RAJA RAGHUNANDAN PRASAD SINGH |
| 19. THE HONOURABLE RAI BAHADUR LALA JAGDISH PRASAD | 29. THE HONOURABLE MR. HOSSAIN IMAM |
| 20. THE HONOURABLE PANDIT PRAKASH NARAIN SAPRU | 30. THE HONOURABLE MR. V. V. KALIKAR |
| 21. THE HONOURABLE KHAN BAHDUR HAFIZ MUHAMMAD HALIM | 31. THE HONOURABLE SRIJUT HERAMB PROSAD BARUA |
| 22. THE HONOURABLE SHAIKH MUSHIR HOSAIN KIDWAI | 32. THE HONOURABLE MR. P. C. D. CHARI, |
| 23. THE HONOURABLE RAI BAHADUR LALA RAMSARAN DAS | 33. THE HONOURABLE MR. J. B. GLASS |

Proceedings of the Council

Budget Session—New Delhi—8th. February to 27th. April 1934

The Budget Session of the Council of State opened at New Delhi on the 8th. February 1934 with the Hon'ble Sir Maneckji Dadabhai in the chair. There were good many visitors including ladies in the galleries.

After the new members were sworn in, the *Reserve Bank Bill* and the *Imperial Bank Amendment Bill* which were passed by the Assembly were laid on the table.

A resolution expressing sympathy for the earthquake sufferers was adopted. The House then adjourned.

NON-OFFICIAL RESOLUTIONS

10th. FEBRUARY :—The Council discussed non-official resolutions when it met to-day for over an hour.

The *Khaddar Protection Bill* as passed by the Assembly was laid on the table.

Rai Bahadur Jagadish Prasad moved a resolution seeking to increase substantially the percentage of recruitment of Indians to the Indian Civil Service with a view to secure the Indianisation of I. C. S. within a measurable distance of time.

The Hon. Mr. Jagadish Banerjee moved an amendment stressing the necessity of recruitment of Indian members of the Indian Civil Services in the superior posts of the Government of India Secretariat. Mr. Banerjee complained that the pace of Indianisation of the Indian Civil Service had been unsatisfactory since 1923 and he cited the figures in support of his contention.

Mr. Hallatt, Home Secretary, replying, asserted that since the recommendations of the Lee Commission regarding the recruitment of the Indians in the Indian Civil Service in proportion to fifty-fifty were accepted by the Government, due effect had been given to them. He hoped that within a short time more Indians

would be recruited, but so far as selection of Indian members of the Indian Civil Service in the Government of India Secretariat was concerned, due consideration had to be paid to qualification of merit and experience of the candidates.

The resolution was withdrawn, in view of the sympathetic attitude of the Government. The House then adjourned to February 13.

RESERVE BANK BILL

13th. FEBRUARY :—A very important point of order was raised by the Hon. Mr. Hossain Imam in the Council when Mr. J. B. Taylor, Finance Secretary, moved the Reserve Bank Bill as reported by the Joint Committee and as passed by the Assembly be taken into consideration. Mr. Hossain Imam contended that according to the Standing Order 42 of the Indian Legislative Rules a Joint Committee of both the Chambers of the Central Legislature ought to have been called by the President of the Upper Chamber but as it was done otherwise the Report of the Joint Committee was vitiated and it could not be proceeded with.

The President held that it was an important point but not sustainable. He gave no reasoning for this and the discussion of the Bill continued.

Lala Ramsaran Das, Leader of the Opposition, complained that the shareholders' scheme was forced down the throats of the Indians, adequate Indian directorate was not ensured, the question of ratio was not settled and the Legislature or the provincial councils had no voice in the control of the management of the Bank. He held that the creation of the bank was inopportune before the Indian budgetary position had been assured.

The Hon'ble Mr. Hossain Imam, criticised the Bill at length and reviewed the Government of India's currency and exchange policy. He also emphasised that devaluation of the rupee was urgently needed. The House then adjourned.

14th. FEBRUARY :—Syed Hossain Imam, to-day, resuming the debate, urged that the Indian Legislature be recognised as the supreme body to amend its laws concerning the Reserve Bank. As regards shareholding, he feared that the capitalists of Bombay and Calcutta would purchase all the shares to the detriment of shareholders in other centres. Therefore, he suggested a provision to prevent the transfer of shares from one register to another. Proceeding, Syed Hosain Imam emphasised that besides representatives of shareholders and equal number of members representing public bodies like the Chambers of Commerce, Co-operative Banks etc. be on the management, sent through electoral colleges. He also insisted on a gold standard reserve to liquidate any loss accruing from silver.

Sir Hormusji Mehta, supporting the consideration of the Bill, attributed the present fall of prices to excess production, and drew attention to the experiment in America. This was not the time for India to think of changing the ratio.

Sir N. Choksy warmly supported the motion for consideration, while Mohammed Padshah considered that a Central Bank for India was one of the most important measures on which the handing over of financial responsibility depended.

Sir David Devadoss thought that the shareholders' scheme was sound because interference by the Secretary of State would be considerably less than if it were a State Bank. He did not entertain any fear.

Mr. J. B. Taylor replying dispelled several fears and doubts raised during the debate. He assured that the Reserve Bank would not only look after the interest of the Central Government, but it would only be too glad to do anything which would improve the credit of local Governments when they became autonomous. Dealing with political influence Mr. Taylor stressed on the kind of interpretation put on it in India. They should not visualize every political influence to be synonymous with a certain type of national aspirations. Referring to the Short Term Credit, the Finance Secretary informed that they had succeeded in refunding 170 crores recently and they had also built up external credit to the value of fifty per cent. of their obligations.

The House unanimously adopted the motion for consideration and the President adjourned the Council.

15th. FEBRUARY :—The second reading on the Reserve Bank Bill was passed in the Council to-day, which was in session for one hour and forty minutes.

All efforts by non-official Members to improve the Bill through many amendments moved by Mr. Jagadish Banerjee and Rai Bahadur Lala Mathura

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[NEW DELHI

Prasad Mehrotra proved of no avail. Excepting certain verbal alterations made by the official benches, the Bill remained unchanged as passed by the other house.

The amendments moved by Mr. Jagadish Banerjee related to the inclusion of indigenous banking institutions among the scheduled banks of Reserve Bank and lowering the value of rupee in terms of sterling.

Speaking on the third reading of the Bill, Mr. V. V. Kalikar thought that the establishment of the Reserve Bank at the present moment was inadvisable as India's export surplus had not yet been restored and its budgetary position was not satisfactory. He complained that there was nothing in the Bill which would help the agriculturists even after the Bank was brought into existence. The House then adjourned.

RAILWAY BUDGET FOR 1934-35

17th. FEBRUARY :—The Hon'ble Sir Guthrie Russell, Chief Commissioner of Railways, in presenting the Railway Budget for 1934-35 in the Council of State said :—

I cannot claim that the results of this and last year are all that can be desired from the point of view of the taxpayer, but I hope to be able to prove to the satisfaction of the Council that not only are the results of this year likely to be considerably better than of last year but that the prospects for next year are such as to encourage at least a spirit of restrained optimism,

Our actual gross earning during 1932-33 were 85.62 crores against 86.50 crores forecasted in our revised budget estimate for the year. The decrease on our forecast was entirely due to taking too optimistic a view of our traffic receipts. The result is that there is a loss in working for the year 1932-33 of 10.23 crores. This loss has been met by a temporary loan from the Depreciation Fund, which leaves a balance of about 12 crores in that fund.

In placing the budget estimate for 1933-34 before the Council, I estimated our traffic receipts at 88.25 crores and our working expenses, including appropriation to the Depreciation Fund, at 63.10 crores, giving a profit on the analogy of Company-owned Railways, or net earning of 25.15 crores. I may say that, up till 2 or 3 weeks ago, we had every hope that our anticipations, both of earnings and working expences, would prove to be correct. Our weekly returns had shown a steady increase in our gross earnings, as compared with last year, and there seemed to be no reason to anticipate that our working expenses would exceed our estimates.

About 3 weeks ago, however, we had a set back, and our traffic as compared with last year for one week dropped by about 8 lakhs. Admittedly, the returns for the following weeks have shown a welcome revival, but this set back has been a warning that the barometer of railway earnings is not yet set fair, and we have therefore, considered it advisable to place our earnings for this financial year at half a crores less than our original estimate. This is actually about two and one-fourth crores more than our earnings for the previous year.

The increase in this year's earnings has been entirely under goods, and we now expect the receipts from this traffic to be about three and half crores or 6 per cent. better than last year. This increase is general to all commodities and it gives an indication that there are fair prospects of a revival in trade. Unfortunately our passenger earnings do not show the same upward tendency, and we estimate that they will be about 1 crore or 4 per cent., less than they were last year. I think it may be taken as a generally accepted fact that goods earnings react quicker to a revival of trade than passenger earnings and there is every hope that, as trade further improves, our passenger earnings, if they do not increase, will at least not tend to decrease further.

So much for our earnings. As regards our working expenses, despite the tragedy of the earthquake and the unforeseen and unforeseeable damage to the protection works of the Hardinge Bridge over the Ganges, which I have already referred to, we do not anticipate that our working expenses will differ to any great extent from our budget forecast. But for this unlooked for disasters, we would have expected our working expenses to be slightly slower than our anticipations. As these disasters will not, we hope, be of a recurrent nature, we have, with the approval of the Standing Finance Committee for Railways, decided to debit the cost of the damage caused by the earthquake and the Ganges floods to, in the first instance, the Depreciation Fund and reimburse the Depreciation Fund by annual instalments from revenue of 15 lakhs per annum. The debit to revenue will, therefore, be spread over a period of 10 years.

As I have said, we now anticipate that our gross earnings will be about half a crore less than our expectations and our working expenses about the same as our budget estimate, so that our profit or net earnings, should fall short by half a crore of our expectations. This will, however, be neutralised by a fall in our interest charges of about the same amount, our final position, therefore, in respect of our profit and loss account, should be as forecasted 12 months ago, namely, a loss after paying all charges including interest, of seven and three-fourth crores. We thus hope to reduce our loss on the year's working as compared with last year by about two and a half crores. The loss, as in previous years, will be met by a temporary loan from the Depreciation Fund, which, at the end of this financial year, should stand at eleven and three-fourth crores.

As I mentioned at the commencement of my budget speech, we after weighing up all known factors and taking into account the undoubtedly brighter trade outlook have come to the conclusion that we can look forward to the coming year with a certain degree of optimism. We, therefore, propose to budget for an increase of two and a half crores, or about three per cent. in our gross earnings.

I am afraid, however, that an increase in our working expenses is inevitable. Working expenses may be divided into two parts—those which are dependent on the amount of traffic moved, such as cost of coal, water, oil, wages of the running staff, etc.; these automatically fall as traffic decreases. But the larger portion of working expenses does not necessarily decrease with a fall in traffic, and our endeavour has been to reduce these expenses also to an absolute minimum.

The Council is aware of certain of the measures we have taken to achieve this object, such as the investigations being carried out by Mr. Pope and his Committee, to mention only one of them; but, as time goes on, avenues of economy become fewer and fewer, and a time must be reached when it would be unwise, and indeed unsafe, to proceed further if we are to keep our property in good order.

I do not say for a moment that no further economies can be effected and I can assure the Council that there will be no slowing down of our endeavours, but I do think that the major retrenchments have been achieved.

There is one thing that I am particularly anxious to avoid, and that is the further block retrenchment of staff. The investigations being carried out at present by the Pope Committee will probably make it necessary for Railways to reduce a certain number of staff, but it is hoped that it will be possible to meet most of those reductions by normal wastage and by the additional staff which will be required if our traffic increases, as we hope.

We estimate that our working expense will be increased by about one third of a crore, but this will be offset by a further reduction in interest charges on account of the average rate of interest being expected to be still lower than it was this year. We should, therefore, get the full benefit of our anticipated increase in gross earnings, and we hope at the end of next financial year our loss will be reduced to five and one fourth crores.

I have explained that during the current year there has been a very welcome rise in our goods earnings but that our passenger receipts have fallen off. I think the Council will expect me to say something about the steps which are being taken to counteract this falling off in our passenger earnings. Hon'ble Members will remember that in my budget speech last year I said that there were only two ways of increasing gross earnings—either by an increase in rates and fares or by a reduction in these with the object of stimulating traffic. I indicated that in times of depression the scope for increasing rates and fares was limited.

Now as to the other method, and from the point of view of the public much the more acceptable one, during the year a large number of minor reductions in passenger fares have been made throughout India and after mature consideration and consultations with Railway administrations, the Railway Board have decided to make a large scale experiment by reducing all third class fares on the North Western Railway for distances up to about 460 miles.

It is too early yet to say what the result is going to be. For the first 10 weeks of the experiment there has been an increase in the number of passengers carried, but this has not been sufficient to meet the reduction in fares. We are still hopeful, however, that the travelling public will take more and more advantage of the cheaper travel offered and give us the additional earnings required to justify the decrease. If the experiment fails and we get no increase in traffic, the North Western Railway stands to lose 45 lakhs in one year. If, however, the experiment

should prove to be a success, we shall certainly consider similar reduction on other Railways.

There is one other aspect of passenger traffic that I would like to refer to in passing. During the past few years the Railways of India have endeavoured to get their share of the increasing world tourist traffic. With this object Publicity Bureaus have been established in London and New York. Though it is very difficult indeed to get even an approximate estimate of the traffic that these bring to Indian Railways, our returns show that, year by year, travel in India tends to become more popular. In assessing the value of this work, it must be remembered that, apart from the money spent in railway travelling every tourist leaves a certain amount of money behind in India, which all goes to help trade and industry. It has been estimated that tourists spend at least 60 lakhs in India annually—by no means a small sum in these depressing times.

Further, though our goods earnings have gone up and though we have no reason to think that the present scale of charges is proving a serious handicap to trade, we have not omitted to examine cases where we have considered that there was a possibility of increasing traffic and stimulating trade by a reduction in goods rates. To mention a few examples of this, the East Indian Railway have reduced their rates for wheat from the Punjab and United Provinces to Calcutta, the Bombay, Baroda and Central India Railway have reduced their rates for gains from the Punjab via Bhatinda, the Bengal Nagpur and Madras and Southern Mahratta Railways have introduced special low rates for rice booked to important consuming centres, and the South Indian Railway have also made appreciable reductions in their rates for rice on their own system and for traffic booked to Ceylon.

Though we have been urged by the coal trade to do so, we have not been able to see our way to remove the 15 per cent. surcharge imposed on coal traffic. We estimate that this surcharge has brought us in increased gross earning of about 65 lakhs during this financial year. There has been a steady increase in our coal traffic in recent months, and during the last few weeks the loading of coal has been exceptionally heavy. It has been suggested that the surcharge has had a serious effect on our long distance traffic. Such statistics as we have, do not quite support this. We are, however, arranging to collect further and more detailed statistics to enable us to make a more comprehensive review of the position. If this indicates that there is some substance in the statements which have been made, we shall certainly seriously consider whether it is possible to relieve our long-distance coal traffic of at least a portion of the surcharge.

During the year the Ava Bridge over the Irrawaddy in Burma has been completed. Good progress has also been made on the re-construction of the Nerbudda Bridge on the Bombay, Baroda and Central India Railway, as also the Chambal and Sind Bridges on the Great Indian Peninsula Railway. It is expected that the latter two works will be entirely completed early in the coming financial year. Other works have made good progress.

Our works programme for the coming year is rather more ambitious than that for this year. We expect that we shall require about 14 crores, of which 70 lakhs will be found by a further reduction in stores balances. If these estimates prove correct, our stores balances will come down to 10 crores at the end of 1934-35.

Of the sum of approximately 14 crores of rupees which we expect to spend on works, 867 lakhs will be found from the Depreciation Fund.

I do not propose to go into this programme in great detail. Generally the programme has been designed to carry out the policy we have adopted of only undertaking such works as are necessary for keeping in good order of our property. Though this year we have been able to spend a little more on what, I believe, are popularly called 'passenger amenities', on these works we propose to spend a total of 38.21 lakhs.

From a perusal of questions in this House and also in another place it would appear that the provision of raised platforms is considered one of the most desirable of these amenities. On works of this description we propose to spend just over three and a half lakhs. The main items of expenditure are, however, on track and bridge-works, which from the point of view of the travelling public, may not be of very great interest but which are quite essential if we are to keep pace with the times and give the service which the public have a right to demand. On these works we expect to spend just over five and three-fourth crores.

The other main item of expenditure is on the renewal of rolling stock, both coaching and goods. Additions form a very small portion of our expenditure. The

total under Rolling Stock is just over 3 crores. All these works will benefit the trade and industry of India and, we hope, help towards the recovery which appears to have begun.

TARIFF BILL PASSED

19th FEBRUARY :—After two hours' discussion the Council passed without any change the Tariff Bill relating to miscellaneous goods. There was only one amendment moved by Mr. Ghosh Maulick in the schedule regarding domestic earthenware and China porcelain but that too was rejected.

Mr. T. A. Stewart, Commerce Secretary, moving consideration, said that it was not possible to take immediate action under the Safeguarding of Industries Act passed a year ago. Between 1931 and 1933 there had been a remarkable increase in imports and case for protective duty was obvious. Doctors Matthai and Meek, who were placed on special duty, carefully examined the claims of various industries for protection. The present Bill represented a fair compromise. On the one hand sufficient protection was given to industries and on the other this protection was not at the expense of the taxpayer.

Mr. Hossain Imam was the only opponent. Mr. Stewart, replying, assured that the case of agriculturist was never overlooked, and the Bill was passed. The House then adjourned.

DEBATE ON RAILWAY BUDGET

20th. FEBRUARY :—Mr. Ramsaran Das, leader of the Progressive Party, initiated the debate on the railway budget in the Council to-day. He said that three-and-a-half crores of public money had been wasted on the Sara Bridge and urged that an independent commission should go into the question of who was responsible for the negligence. He criticised the purchase of sleepers and other articles and urged savings wherever possible, particularly in the workshops. He also emphasised the need for consideration of wagon and coach buildings on all railways which might result in savings. He felt that Indianisation in workshops and engineering was meagre and almost negligible, however gratifying the appointment of an Indian Agent of the Eastern Bengal Railway might be. He strongly protested against expenditure on strategic railways and thought that it should be borne by the Army. He pointed out that ordinary British soldiers had been allowed to travel second class on payment of a third class fare and the material belonging to the Army was transported at reduced rates. This, he said, was contribution to the Army through the back door. Indian railways, he added, allowed concessions during Christmas and Easter while such concessions were refused during big Indian festivals at Ajmere or Hardwar.

Sir K. V. Reddi did not agree with Mr. Ramsaran Das regarding the concessions given to the army for such expenditure would in any case be borne by general taxpayers. He urged the Government to undertake the construction of capital works as that was the only way of making cheap money pass into the hands of the people and increase their purchasing power. In fact this was the opinion of the World Economic Conference. Besides enquiry by Mr. Pope, he supported periodical departmental overhauling as suggested by the Retrenchment Committee. Referring to the road competition, he spoke of what the Minister of Communications did in South Africa in recent years and supported Government's efforts to check cut-throat competition.

Rai Bahadur P. C. Dutt narrated at length the grievances of the travelling public using the Assam Bengal Railway, while Sir Akbar Khan complained of low platforms on most of the stations in the Frontier Province, particularly Mardan. He urged certain new railway connections at important trade centres in the Frontier.

Mr. Mahmood Surahwary pleaded for provision of electric fans in third class compartments. He said while two fans were provided for three or four upper class passengers, at least an equal number be set up in a carriage accommodating fifty to sixty third class passengers. He pointed out that this would not involve additional expenditure as electricity could be generated through the motion of trains.

Mr. J. B. Glass (European non-official) urged the Government seriously to consider utilising cheap money and labour available at present for more construction programme.

Mr. Hossain Imam asked for a special day to discuss the statutory railway authority. He urged standardization of all railways and closer co-operation between

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railways and local Governments. He opined that the Railway Board should be careful in undertaking new construction which should be in keeping with reduced earnings.

Mr. B. K. Basu thought that efficiency could not be risked for the sake of India-nisation.

Sir Joseph Bhore's reply to the debate was substantially the same as yesterday's speech in the Assembly as most of the points raised were similar. He believed, judging from railway earnings, that there was every room for optimism as the period of depression was over. He stated to Rai Bahadur Ramsaran Da. that there was no use of appointing an enquiry committee over the Ganges bridge as that would be like sitting in judgment over the actions of Province. He assured the same member that the coal tender was given without his own express orders (applause). The Railway Member could not accept the suggestion that road bridges should be constructed along with railway bridges. He informed Sir K. V. Reddi that new scales of pay would be applied to new entrants almost immediately. Concluding, Sir Joesph Bhore reiterated his remarks that Indian railways could meet the competitive challenge of rivals only by increasing their utility. The House then adjourned till the 26th.

NON-OFFICIAL RESOLUTION

26th. FEBRUARY:--Non-official resolutions were discussed in the Council to-day. Mr. Vellingiri Gounder moved a resolution recommending protection of the silk-rearing and silk-weaving industries by imposing 100 per cent duty. The mover stressed that sericulture played an important part in the economic life of the country and this industry satisfied the conditions prescribed by the Fiscal Commission for protection.

Sir Kurma Reddi pointed out that sericulture was a subsidiary industry which could improve the lot of poor agriculturists.

Mr. T. A. Stewart, replying, observed that the recommendation of the Tariff Board regarding sericulture had been accepted by the Government and a Bill to that effect will be introduced in the Lower Chamber. He, therefore, opposed the motion.

Rai Rahadur Lala Rasaran Das, Mr. Hossain Imam and Mr. Jagadish Banerjee supported it. The motion was eventually withdrawn.

Mr. Hossain Imam moved a resolution urging revision of the new scales of pay and the imposition of 20 per cent cut on old scales until the index number (Calcutta) reaches the 1930 figures.

The resolution was rejected and the House adjourned.

OFFICIAL BILLS PRESENTED

27th. FEBRUARY:--The Council met to-day at 5 p. m. when Sir Alan Parsons presented the statement of the estimated expenditure and revenue for 1934-35 in respect of subjects other than railways.

The Secretary laid on the table the *Cotton Textile Industry Protection Amendment Bill of 1934*, the *Wheat Import Duty Extending Bill of 1934*, the *Steel and Wire Industries Protection Extending Bill of 1934* and the *Medical Council Amendment Bill of 1934* as passed by the Assembly.

GENERAL DISCUSSION OF BUDGET

5th. MARCH :--General discussion of the budget commenced to-day. Lala Ramsarandas, leader of the Opposition, was the first to speak upon the subject. He objected to the Government balancing the budget by increased taxation instead of reducing the expenditure. The agriculturist was hard hit as, in order to pay land revenue and meet his creditors' bills, he had to sell his commodity as twice the quantity. The imposition of an excise duty on sugar was unjustifiable except for revenue purposes. He regretted that the surcharges imposed in November, 1931, were still continued. With such heavy taxation, why should the Government not reduce military expenditure further or at any rate press for a more equitable relief to Indians in the matter of capitation charges than a paltry sum of two crores? As for retrenchment in civil administration, the Government had done everything in the lower ranks, but not in respect of the Services controlled by the Secretary of State. He asked how long they would take to come to a decision. Incidentally, he referred to the budget provision for civil aviation and thought that thirteen lakhs was insufficient and that the Government should do more to make India air-minded and introduce air services on the same scale as other countries. He

also objected to the continuance of the eighteen-pence ratio and referred to the growing unemployment, particularly among educated classes, and asked the Government to rest content with expressing sympathy. Industrialisation of the country was needed, but this was not possible unless the control of the administration was in the hands of Indians.

Mr. Mahmood Suhrawardy thanked Sir George Schuster for conceding to Bengal at least half the jute tax which had been imposed only as a War measure and should not have been used by the Central Government for revenue purposes. Sir George Schuster's help to Bihar had caught the imagination of the people and the fact that he had not raised the duty on salt had proved that he was a better Swarajist than Swarajists themselves. But, he asked, what about the export of gold? Why was there no export duty? He also wanted a reduction in post card rate to half an anna.

Sir Hormusji sympathised with Sir George Schuster who, he said, throughout his regime had to face exceptional difficulties more than any previous Finance Member. He agreed that the excise duty on sugar was the easiest form of getting revenue in order to recoup the losses which the Government had to meet. (*Lala Ramsarandas, Question?*) But the margin of profit for the sugar-millowner after this duty would be very little, particularly in the case of those mills which were not equipped with modern machinery.

Sir Homi Mehta appealed to Sir George Schuster to reduce the proposed excise duty by a half. The advantage arising from this was that there would be some margin of profit which the Government could collect in the shape of income-tax or super tax. Referring to the diversion of seaborne traffic to Kathiawar, affecting Bombay, *Sir Homi Mehta* took imported cotton alone and estimated that something like fifty lakhs annually accrued to Bhavanagar which should go to Bombay. He did not mind this if there were mills in Kathiawar State to use cotton. Obviously it was sent to mills in British India, but through Kathiawar ports. He asked Sir George Schuster "why not ask the mills themselves to pay a tax on imported cotton?" That would be the easier method of checking the menace of diversion of traffic. *Sir Homi Mehta* congratulated the Commander-in-Chief's department on reducing military expenditure but regretted that the civil departments had not shown equal zeal. As for the windfall which Bengal secured from Sir George Schuster *Sir Homi Mehta* explained how Bombay had given effect to all the retrenchment proposals and even reduced the number of Executive Councillors unlike Bengal. He wanted the Government of India not to put a premium on inefficiency.

Mr. Narayanaswami Chetty, in an imperfectly heard speech, was understood to have disapproved the imposition of the duty on matches, objected to the continuance of the surcharges and supported the reduction in the rates for telegrams. He, however, wanted a reduction on post-card rates to half anna. He also objected to taking the poorman's matches for giving relief to Bengal in order to put down terrorism. He suggested the imposition of a prohibitive import duty on rice and urged further retrenchment in the civil administration so that really a surplus might result.

Mr. Ernest Miller strongly protested against Government deciding to utilize the proceeds of sugar duty to give rebate to certain provinces, mainly Bengal, which had to pay excise duty on jute, which was produced only within certain restricted area and nowhere else in India. It was a wrong principle to levy an all-India tax to give relief to Bengal. Referring to the position of Bombay, *Mr. Miller* said that the diversion of imports into India to Kathiawar ports was a growing menace and would end in an irretrievable disaster if prompt action was not taken by the Government of India. The loss of the town duty on cotton would cost the Government of Bombay about ten lakhs of rupees annually and the Corporation only a little less, which none of them could afford. The Government of India could make no better use of the part of their receipts from the new match taxation than by allocation to Bombay of a sum necessary to cover the loss of revenue which the latter would have to undergo if they gave up the town duty. Continuing, *Mr. Miller* said that the most important matter requiring investigation was redistribution of portfolios and urged the appointment of a Member for communications, who would hold charge of railways, roads, airways, waterways, posts and telegraphs.

Sir Mohamed Akbar said that the imperative need was the abolition of excessive taxation and stimulating export trade.

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Sir Suleman Cassum Haji Mitha said that the limit of maximum taxation had been reached, as was established by diminishing returns. He thought that the reduction of the silver duty was long overdue. The excise duty on matches would considerably retard the match industry, which was still of infant growth. Bombay had a great share of the match industry, and the proposal that the excise duty on matches would be given to Bengal was a novel procedure with which Bombay could not reconcile. He also emphasised Bombay's dire necessity for financial relief and the mere fact that she had balanced her budget should not stand in the way of granting relief from the centre.

Sir George Schuster said that no reduction of military expenditure was possible without reducing the fighting strength. And if this was contemplated then not only the British but the Indian personnel would be effected and the purchasing powers of that class would be lowered. Regarding Bengal he made it clear to the Council that the case was exceptional and the proposal to remit half the jute tax was based on Sir Walter Layton's report which had been discussed by the Round Table Conference. There was no question of putting a premium on extravagance or efficiency. The Government knew perfectly well that Bengal's financial situation was becoming unmanageable.

OFFICIAL BILLS

6th. MARCH :—Official bills were discussed in the Council to-day. On a motion by Mr. T. A. Stewart, Commerce Secretary, a bill further extending the operation of the Wheat Import Duty Act for one year was taken into consideration. *Rai Bahadur Lala Ramsaran Das* welcoming the measure suggested that it might be made a permanent bill. Hearty support was accorded to the bill by all sections of the House and the Bill was passed unanimously.

Sir Fazl-i-Hussain moved for consideration of the bill amending the Indian Medical Council Act of 1933 which was passed without opposition.

Mr. Stewart then moved that the Cotton textile Industry Protection Amendment Bill be taken into consideration and the Bill as emerged from the Lower Chamber was passed. The House then adjourned.

NON-OFFICIAL RESOLUTION

7th. MARCH :—Several non-official resolutions were discussed to-day in the Council. *Rai Bahadur Lala Jagadish Prasad* through a resolution urged that recruitment in the Indian Medical Service should in future be made by means of open competitive examinations held simultaneously in England and India. He stressed that unless the present system of recruitment by a Selection Board constituted in a ratio of two Europeans to one Indian, be substituted by a competitive examination or the percentage of British recruitment be lowered, the Indianisation of the Service could not make progress.

Sir N. Choksey accorded a hearty support to the resolution and observed that the recommendations of the Lee Commission should be abolished.

Mr. Sprawson observed that Indianisation was advancing fairly and at a rapid speed.

Sir Fazl-i-Hussain promising to forward the debate to the Secretary of State, the resolution was withdrawn.

Mr. Mahmood Sulhwardy moved a resolution seeking to provide the members of the House with "Gold Passes" instead of the travelling allowance granted to them. After some discussion the resolution was rejected.

After Mr. Hallet's reply, Mr. Jagadish Banerjee withdrew his resolution urging the introduction of substantially reduced scales of pay for the Imperial Services. The mover pointed out that while on the recommendation of the Retrenchment Committee, the Government of India accepted reduced scales of pay for the subordinate services, there has been no reduction in the salary of officers under the Secretary of State's control. He said it was high time that the "Lee Loot" should be stopped.

Rai Bahadur Lala Ramsaran Das's resolution recommending the donation of one crore of rupees to the Viceroy's Earthquake Relief Fund for helping the reconstruction of private and public buildings in Bihar was defeated by 26 votes to 8.

Sir Alan Parsons, Finance Secretary, revealed the plan which the Government of India had in mind with regard to offering assistance to Bihar. In addition to the

free gift of Rs. 129 lakhs the Government of India undertook to bear half the cost of the reconstruction of Government buildings in Bihar. It was impossible, he stated, to say until they knew how much more help would be necessary to supplement the private donations and what measures they would have to take.

On the motions of *Rai Bahadur Lala Mathura Prasad Mehrotra*, the *Khaddan Name Protection Bill* was taken into consideration and passed in the form in which it emerged from the Lower House. The House then adjourned till the 12th.

NON-OFFICIAL RESOLUTIONS

12th. MARCH :—The Council of State adopted a resolution of condolence conveying sympathy and sorrow of the House to the bereaved family of Sir Thomas Ryan.

Rai Bahadur Jagadish Prasad moved a resolution recommending to the Governor General-in-Council to (1) undertake a thorough survey of the position of Indian industries, including cottage industries and collect statistics of the existing industries in order to find out the exact position as regards the industries pursued, the quantities and values of products manufactured, raw materials utilised, the number of persons employed and wages paid, the motive power and other particulars usually collected in advanced countries, and (2) to place the results at the disposal of the public and to take other necessary steps to secure expansion of industries in the country.

Sardar Buta Singh, *Kumar Nripendra Narayan Sinha*, and *Lala Ramsaran Das* accorded whole-hearted support to the resolution.

Replying *Mr. Mitchell* said that Government was just as anxious as the mover of the resolution to secure the objects that the motion had in view. He referred to various economic enquiry Committees appointed by the Government from time to time and the steps the Government was taking in this behalf. The motion was withdrawn in view of the sympathetic reply of the Government.

Lala Mathura Prasad Mehrotra's resolution urging the Government Members in charge of important bills to move for reference of their bills to Joint Select Committees of both Chambers of the Central Legislature was defeated by 30 against 10 votes after a good debate on the motion.

Next *Syed Hossain Imam* moved a resolution urging the formation of a committee of experts and members of the Central Legislature for each of the State-managed Railways separately to investigate and report on the measure of economy. The debate had not concluded when the House adjourned till the 14th.

14th. MARCH :—Consideration of *Syed Hossain Imam's* resolution urging the formation of a Committee of experts and the members of the Central Legislature for each of the State-managed railways separately to investigate and report on the measures of economy was resumed. The mover asserted that the Railways were mismanaged and there were many cases of extravagance.

Mr. Satyendra Chandra Ghose Maulik observed that the appointment of such committees would prove a burden on railway finances now.

Replying, *Sir Guthrie Russell* said that the railways were carrying out the recommendations of the Retrenchment Committees and all possible economies were being effected.

In view of the sympathetic reply of the Government, the motion was withdrawn.

Syed Hossain Imam next moved another resolution recommending that papers of the Joint Parliamentary Committee on Indian Reforms be laid on the table of the House.

Syed Hosain Imam in moving his resolution referred to the inordinate delay that the deliberations of the Joint Parliamentary Committee were taking and also pointed out that people were anxious to know when reforms would come.

Replying, *Sir Fazli Husain* said that the resolution did not demand anything in particular and it was in many respects vague. As for the introduction of reforms, he said that it would be expedited as early as possible. After some discussion the resolution was withdrawn.

Rai Bahadur Lala Ramsaran Das moved the resolution recommending that the proportion of communal representation of the employees in the State Railways be on population basis. He said that the Government were not strictly following any definite rule.

Mr. B. K. Basu, opposing the motion, said that such resolutions excited communal jealousy.

After Sir *Guthrie Russell's* assurance of fullest consideration of all the criticisms made, Rai Bahadur Lala Ramsaran Das withdrew his resolution.

Rai Bahadur Lala Mathura Prasad Mehrotra then moved a resolution for establishing an Imperial Council of Co-operation on the analogy of the Imperial Council of Agricultural Research.

After Sir *Fazl-i-Hussain* had pointed out the financial difficulties, the mover withdrew his motion. The House then adjourned till the 19th.

19th. MARCH :—Two non-official resolutions were discussed in the Council of State to-day. The House adopted a resolution conveying sympathy and condolence to the bereaved family of Raja Sir Moti Chand, ex-member of the Council of State.

Rai Bahadur Lala Jagadish Prasad moved a resolution urging that the Indian delegations to the Imperial and International Conferences should in future be composed of and led by Indians alone. The resolution was, however, withdrawn.

The House adjourned till the Finance Bill passes out of the Lower Chamber.

DEBATE ON THE FINANCE BILL

29th. MARCH :—The Council disposed of the Finance Bill to day when non-official attendance was very thin. About nine amendments were moved by Rai Bahadur Mathuraprasad Mehrotra and Mr. Jagadish Prasad practically repeating some of those which were defeated in the Lower House. Rai Bahadur Mehrotra's proposal to abolish the levy of tax on salt manufactured in British India was met with a short shift from Mr. Taylor, who pointed out that this so-called modest amendment would cost six and one fourth crores.

The next amendment by the same member to reduce the salt tax from one and a quarter rupees to one rupee, supported though it was with quotations from the views of Mr. Ramsay MacDonald and others, was ultimately rejected by the House on hearing Mr. Taylor, who emphasised that the amendment would entail the loss of one and three-fourth crores.

A third amendment related to the rate on letters. Rai Bahadur Mehrotra suggested one anna for letters weighing one tola instead of half a tola proposed in the Bill. He emphasised that enhanced postal rates had invariably led to a drop in circulation and the consequent loss of revenue. If the initial minimum weight was left at one tola, there would be increased circulation.

Mr. Jagadish Prasad supported, observing that it would help the people in villages.

Sir Frank Noyce exhaustively reviewed the financial position of the Posts and Telegraphs Department and paid tribute to the valuable work done by the late Sir Thomas Ryab. He assured the House that the Government had adopted measures of retrenchment and economy and believed that with the help of recommendations of the Varma and Pasricha Committees they would be able to place the finance of the Department on a sound footing.

The present proposal for one anna letters was itself an experiment and they hoped it would result increased circulation. If, however, the result proved that they were unduly pessimistic, then it would be all to the good, as that would bring appreciably nearer the day for reduction of the price of postcards.

Mr. Hossain Imam supported the amendment, which was pressed to division and rejected by 7 against 30 votes.

Rai Bahadur Mathuraprasad Mehrotra's proposal for half anna postcard found some support in the House. He wanted the Postal Department to be regarded as a public utility concern and not so much as a commercial department as the telegraph or telephone.

Sir Frank Noyce said that Government did not want the Postal Department to be run at a loss, but merely pay its way. The amendment was withdrawn.

Rai Bahadur Mehrotra moved an amendment proposing the removal of surcharge on income-tax which was imposed in 1931 as an emergency measure.

Syed Raza Ali opposed it as being intended to suit the capitalists and landed and other vested interests in the country which were very largely represented in the House. He urged that the House should realise its position as a revising chamber and not do anything which would create an impression among the public that it was solicitous promoting the interests of its own members. Such an impression on the eve of constitutional changes would have a very bad effect.

Mr. Hossain Imam supported the amendment, on the ground of refusal of supplies and twitted Mr. Raza Ali for not supporting the amendment for reduction of postal rates, but speaking now on behalf of the poor over this amendment.

Mr. Taylor drew attention to the fact that the amendment, if accepted, would mean a loss of 270 lakhs. The motion was lost.

Mr. Jagdish Prasad moved an amendment for exemption of tax on incomes below Rs. 1,500. He claimed that the loss of twenty-one lakhs was well worth a trial when it was principally for the benefit of a large number of poor people. Mr. Taylor's objection was on principle. He held that the present system was to balance the burden evenly on all classes. Incidentally he reminded the House of the benefits enjoyed under the Hindu joint family system. The amendment was rejected.

During the third reading, Mr. Kalikar opposed the Bill in toto as a protest against rejection of reasonable amendments.

Mr. Hossain Imam, Mr. Abdul Azeem and Mr. J. B. Glass also spoke. Mr. Taylor promised to examine all suggestions. The Bill was passed without alteration.

THE SALT IMPORT DUTY ACT

The Bill extending the operations of the Salt Additional Import Duty Act for another years (as passed by the Assembly) had an easy passage to-day in the Council.

Mr. Hossain Imam and Mr. Mathraprasad Mehrotra objected to the papers on the subject not being given earlier, and thereby enabling the members to study them.

Mr. Taylor promised to see that in future these were supplied as early as possible.

Mr. Hossain Imam wanted the Bihar Government to develop the salt industry on the Orissa sea coast.

Mr. Mahmud Suhrawardy wanted revival of the salt industry in Bengal.

Mr. Narayanaswami Chetty regretted that none from the Council had been appointed to the Committee on the Bill. He wanted development of markets for Indian salt, particularly for Madras salt.

Mr. Taylor promised to examine any scheme which the Madras Government might submit.

The Bill was passed.

Sir Fazli Hussain said that the House could sit only on the date to be announced after the bills, now before the Assembly, particularly the States' Protection Bill.

The House then adjourned.

THE PRINCES' PROTECTION BILL

12th APRIL:—After a respite of fourteen days, the Council of State met to-day to transact official business. The *Princes' Protection Bill* as passed by the lower Chamber yesterday, was laid on the table of the House.

On a motion by Sir Fazli Hussain, the *Indian Port Trusts Amendment Bill* was taken into consideration and passed unanimously. Sir Fazli explained that the Bill sought to extend the status of trustee of securities to debentures issued by the Land Mortgage Banks and similar other Corporation.

Lala Jagadish Prasad and Sir David Devadoss whole-heartedly supported the measure. The House then adjourned till the 16th.

16th. APRIL:—When Mr. Hallet moved for consideration of the States' Protection Bill, Mr. V. Kalikar observed that he was not in a position to support the Bill unless there was an improvement in maladministration of the Indian States, and public opinion press criticism of their administration be left unstifled.

Sardar Jagannath Usharaj asked for liberalisation of the political constitution of the States.

Sir Akbar Khan was in agreement with the principle of the proposed measure.

The Law member, the Home Member and the Home Secretary stood up several times to reply Mr. Hossain Imam when he was speaking on the various implications of the Bill and the conditions now prevailing in the States. He doubted if enactment of the drastic provisions embodied in the Bill will benefit the princes.

Sayed Mohammad Padsha, Bhuta Singh, and Raza Ali, all spoke supporting the Bill. Lala Mathura Prasad Mehrotra did not see the necessity of passing such legislation.

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Lala Ramsarandas, while not opposing the Bill, wanted to see that the rights of the subjects of the Indian States were adequately safeguarded.

After *Sir Harry Haig's* reply the motion for consideration of the Bill was passed, and the House adjourned.

PRESIDENT'S IMPORTANT RULING

The President, Sir Maneckji Dadabhojy, gave an important ruling regarding questions and in the case of absentee members how questions standing in their names should be disposed of. He ruled :—

"In order to avoid any misunderstanding in future, on this very important point, I have decided that in all the points of substance the Assembly practice might suitably be adopted i.e., a member desiring to put a question for the absent member should in all cases be required to produce written authorisation from the absent member and hand in the same to the President before the commencement of the meeting at which the question is to be put.

"I trust, this ruling of mine, which is in consonance with the precedence elsewhere and with the practice now prevailing in the Assembly, will be followed by the honourable members of this House, as it will, on one hand, discourage the habit of sending the string of questions and the members failing to be present in their places when those questions come up before the House, and on the other hand, it will tend to the establishment of uniformity of practice, both in the Council of State and in the Legislative Assembly, and further, such written authorisation will absolve members, who act as proxies, of personal responsibilities naturally arising from asking such a question."

In giving the above ruling, the President exhaustively surveyed the practice followed in the Parliament and other places.

17th. APRIL :—When the second reading of the Princes' Protection Bill was taken up in the Council of State, Mr. *Hossain Imam* vehemently opposed clause II, relating to conspiracy against States.

Rai Bahadur Lala Muthura Prasad Mehrotra did not see the utility of the provision, when the Princes already enjoyed some protection under the existing Act. The clause was, however, adopted.

Rai Bahadur Lala Jagadish Prasad's amendment for deletion of clause III penalising the Press was disallowed by the President.

Lala Jagdish Prasad, Mr. *Kalikar* and Mr. *Hosain Imam* opposed the clause. Mr. *B. J. Glancy* pleaded that the provisions were necessary. The clause was carried by 31 against 6 votes. The remaining clauses were passed one after another.

On the third reading of the Bill *Rai Bahadur Mehrotra*, and Messrs. *Kalikar*, *Hossain Imam* and *Mohamad Padshah* made speeches opposing the Princes' Protection Bill.

Mr. *Raza ali* supported the Bill. After Mr. *Hallett* had given reply the Bill was passed. The House then adjourned till April 20.

THE TEXTILE PROTECTION BILL

20th. APRIL :—The Council met to-day to consider the Textile Protection Bill as passed by the Assembly.

Mr. *Stewart*, Commerce Secretary, moving the consideration of the Bill, referred to the salient features of the Bill and said that the delay in coming forward with this measure after the Tariff Board had reported was due to the depreciation of the Yen and negotiations with the Japanese delegation.

As for the period of protection to the industry as a whole, Government fixed 5 years as being reasonable because any longer time would only give the industry a feeling of complacency. Two occasions would arise during this period in which reconsideration of the duties would be necessary. Firstly, when the Indo-Japanese Agreement of three years ended, and secondly, the determination of the basic rate of duty on cotton piecegoods of British manufacture if the surcharge imposed by the Finance Act of 1931 was removed.

As for the sericulture industry protection was given for five years, and Mr. Stewart emphasised the change made in the Select Committee for 25 per cent. 'ad valorem' plus 14 as per pound. This was considered an equitable basis of taxation.

Before the House proceeded to discuss the motion, the President cleared the ground by ruling out the amendment tabled by *Rai Bahadur Mathuraprasad Mehrotra* for circulation of the Bill.

Lala Ransaran Das, Leader of the Opposition, considered the hosiery section of the Bill would do India, especially his province of the Punjab, a lot of good as the Punjab had full hosiery cottage factories.

Sir Josheph Bhore, intervening in the debate, explained fully the implications both of Bombay Lancashire and Indo-Japanese agreements which formed the framework of the Bill. He had little doubt that the agreement would go a great way to cement a spirit of goodwill and friendliness between the two countries and both would be able to work out their national destiny. As for the Indo-Japanese agreement he related the critical circumstances under which they had to work to reach conclusions.

Rai Bahadur Jogadish Prasad approved of Indo-Japanese agreement but stressed the necessity of imposing compulsory obligation on Lancashire to purchase a fixed minimum quantity of Indian cotton.

21st. APRIL :—*Syed Hossain Imam* continued his speech on the Textile Protection Bill to-day. He wanted the handloom weaver to be given greater aid than proposed by the Government. *Sir N. Choksy* supported the motion for consideration.

Mr. Stewart, Commerce Secretary, in a brief speech replied to various points raised during the discussion. The motion for consideration was adopted.

Though there were eleven amendments, only three were moved. In the first amendment regarding cotton twist and yarn and cotton sewing or darning thread, *Mr. Hossain Imam* suggested a uniform duty of five per cent advalorem on counts above fiftys and five per cent or one-quarter annas per pound advalorem on counts of fiftys and below. After *Mr. Stewart's* reply the amendment was lost.

Two more amendments, one by *Rai Bahadur Ramsarandas* and the other by *Mr. Hossain Imam* were withdrawn. Without any discussion at the third reading the Bill was passed.

Mr. Mitchell, Industries Secretary, moved a lengthy resolution regarding the administration of roads which was already adopted in the Assembly on the motion of *Sir Frank Noyce* after a short discussion. The resolution was passed. The House adjourned till the 26th.

OFFICIAL BILLS

26th. APRIL :—The Council of State met after the Muhurram holidays to consider four bills passed by the Assembly, namely, the Trades Disputes Act Amending Bill, the Sugar Excise Bill, the Sugarcane Bill and the Match Excise Duty Bill.

Sir Fazli Hussain referred to the death of *Sir Sankaran Nair*, an ex-Member of the Coucuel of State, and said that his rise to the front rank of politics of India was proved by the fact that he was elected President of the Indian National Congress. *Sir Sankaran Nair* had independence of outlook and believed in his own judgment.

Sir David Devadoss, *Mr. Hussain Imam*, *Mr. Raza Ali*, and *Mr. Narayanswami Chettiar*, all joined in paying tribute to the outstanding personality of the late *Sir Sankaran Nair*.

The President, associating himself with the remarks of others, said that *Sir Sankaran Nair* was a very straightforward and a masterly personality and had sterling independence. He would communicate to his relatives the condolence of the House.

Mr. Mitchell moved the consideration of the Trades Disputes Act Amending Bill, making the Act permanent.

Mr. Hossain Imam complained that by bringing forward a measure for making the original Act permanent the Government had deprived the members of moving any amendment to the Act.

Mr. Mitchell assured that it would be possible to bring an amending bill after some time. The Bill was passed.

Sir Alan Parsons, moving the consideration of the Sugar Excise Duty Bill as passed in the Assembly, explained the underlying principles and emphasised that the Government is not taking one pie more on taxation than was needed, and

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pointed out that the excise duty was within the limits of protection as recommended by the Tariff Board.

After *Sir Alan Parsons* had replied the notice for consideration of the bill was

Several amendments were then moved by *Rai Bahadur Mathura Prasad Mehrotra* which were either withdrawn or defeated.

An amendment seeking to lower the duty from Rs. 1-5 to Re. 1. was lost by 25 against 5 votes.

On the third reading of the Bill Mr. *Hossain Imam*, *Rai Bahadur Mehrotra*, *Rai Bahadur Lala Ramsarandas* and *Sir Fzli Hussain* spoke. The Bill was then passed.

Sir Fazli Hussain thereafter moved for consideration of the Sugarcane Bill.

Rai Bahadur Lala Ramsaran Das opposed the Bill and *Maharajadhiraja Darbhanga* pointed out the practical difficulties in the application of the Bill.

Rai Bahadur Lala Jagadish Prasad and *Sayed Mohammad Padshah* supported the Bill. The House then adjourned.

27th. APRIL :—The budget session of the Council of State was concluded to-day.

When the consideration of the Sugarcane Bill was resumed *Rai Bahadur Mathura Prasad* complained that the Bill contained permissive clause for enabling the provincial Governments to legislate for the fixation of the price of sugarcane according to local conditions which might put some provinces at a disadvantage. The clauses were put before the House and were adopted.

Rai Bahadur Lala Ramsarandas, *Mr. Hossain Imam*, and *Rai Bahadur Mathura Prasad Mehrotra* opposed the Bill on its third reading but it was, however, passed.

Sir Alan Parsons, moving for consideration of the Match Excise Duty Bill, observed that revenue from this source was necessary to give assistance to Bengal, Bihar and Assam, the provinces which produced jute.

Mr. Hussain Imam opined that this source of revenue ought to be left untapped till the proposed Federation comes into existence when more revenue will be required.

The motion for consideration of the Bill being passed, the clauses were accepted and the Bill was passed.

Mr. T. A. Stewart's motion that the Ottawa Committee to enquire and report the results of the Ottawa Agreement be consisted of *Sardar Buta Singh*, *Messrs. S. C. Ghose Maulik*, *Hossain Imam*, *V. V. Kalikar*, *E. Müller*, *Raza Ali*, *Sir Alan Parsons*, *Mohammad Padsah* and the mover was postponed till the next session of the Council. The House then adjourned *sine die*.

THE LEGISLATIVE ASSEMBLY

Budget Session—New Delhi—24th. January to 21st. April 1934

The Budget Session of the Assembly opened at New Delhi on the 24th. January 1934 with *Sir Shanmukham Chetty* in the chair. Party seats were arranged on the new basis. The important part of to-day's business related to a long statement by *Sir Harry Haig* on the earthquake situation and a motion by *Sir B. L. Mitter*, Leader of the House, expressing sympathy with the sufferers and appealing to the Government, the princes and people of India for help to the sufferers.

EARTHQUAKE DISASTER

Answering a short notice question of *Babu Gaya Prosad Singh* regarding the earthquake disaster, *Sir Harry Haig* said that outside three chief towns the death roll was estimated at 700 and the Governor of Bihar hoped that the total deaths in the province would not exceed 4,000. As regards property no less than half of the brick houses had been reduced to ruins in the affected towns, the Government buildings suffered heavily and in one town alone the Government buildings valued at Rs. 30,00,000 were destroyed. The railways suffered the loss of Rs. 50,00,000 at Jamalpur alone. The local bodies and the district boards suffered heavy losses owing to the destruction of dispensaries, hospital and school buildings, roads and bridges. It was impossible at the present stage to give the total estimates of the losses to property of the public, the Government or the railway and the local bodies. There had been considerable damage to the standing crops but a most serious situation had arisen owing to the fact that half of the sugar mills had been put out of action. No less than 200,000 acres were under sugarcane which was the most profitable crop in the area.

Sir Harry Haig paid a tribute to Bihar Government and the officials for the steps taken to meet the unprecedented calamity. Relief measures on an extensive scale were undertaken. The Tatas despatched a special train with iron sheets and foodstuffs and the Commander-in-Chief had given full help by lending army tents and giving the services of sappers and miners to remove the debris. A detachment of the East Yorkshire Regiment had also rendered valuable help. Clothing was a great necessity and already 10,000 blankets had been sent. The B. N. W. Railway was making strenuous efforts to restore communications. Doctors were sent everywhere to render medical aid, tube-wells were being sunk and wells were being disinfected. *Sir Harry Haig* hoped that the prompt and generous response to the Viceroy's appeal would help further relief to the sufferers. His statement could give only an approximate estimate. The extent to which the Government of India might assist the Bihar Government financially could not be decided until the full extent of the damage was more accurately known. Still less was it possible to say what remission of the Government demand in the affected area would be possible unless the extent of the damage to the agricultural land was known. This primarily was a question for the local Government who would undoubtedly give a more careful consideration.

ASSEMBLY'S SYMPATHY WITH PEOPLE OF BIHAR

Immediately following *Sir Harry Haig's* statement *Sir B. L. Mitter*, Leader of the House, moved a resolution placing on record the Assembly's deep sympathy with the people of the province of Bihar and Orissa and other areas in their distress in consequence of the severe earthquake that has caused widespread suffering and distress in the areas affected and requesting the President to convey their sympathy to the sufferers. The resolution also expressed confidence that the Government as well as the Princes and people of India would do all it lies in their power to help alleviating the distress of the sufferers. *Sir B. L. Mitter* said that this was not a party question and he hoped that the efforts of the public authorities and private agencies would be co-ordinated with a view to avoid overlapping and the maximum amount of relief would be available.

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Sir Abdur Rahim, leader of the Independents, heartily endorsed the appeal made. The extent of the damage had been colossal and whatever was necessary to rescue the people in the stricken areas should be a great burden on the Governments, both provincial and central. Fortunately, private enterprise and philanthropy was not lacking. But in planning out the restoration of towns care should be taken so that there might be no recurrence of such an unprecedented suffering and houses be built of such material as would resist such shocks.

Mr. JadHAV, on behalf of the Democratic party, was glad that the Government of Bihar welcomed the cooperation of Congressmen in measures of alleviation.

Sir Leslie Hudson, on behalf of the European group and the entire European community in India, assured response both in money and kind.

The President associating the Chair with the sentiments expressed referred to the magnitude of the disaster even from meagre information and said that the response to the Viceroy's appeal was already very encouraging. Besides expressing sympathy by this resolution every member of the House should show individual sympathy by not merely subscribing himself but persuading his friends and members of the constituencies to do likewise. *Sir Shamukham Chetty* promised to convey the resolution to the Governor of Bihar.

TWO BILLS INTRODUCED

Sir Joseph Bhore introduced two bills, the first extending the life of the existing Acts till the end of October for the purpose of fostering and developing the steel industry and the wire nail industry in British India and the second extending the Wheat (Import Duty) Act till March 31, 1935.

SELECT COMMITTEE ON TARIFF BILL

Sir Joseph Bhore next moved for a select committee on the Tariff Bill consisting of Mr. B. Das, Mr. S. C. Sen, Mr. Mody, Dr. Ziauddin, Mr. S. C. Mitra, Mr. B. P. Bagla, Mr. Ramsay Scott, Bhai Parmanand, Mr. Wazihuddin, Mr. Ghaznavi, Mr. DeSouza, Sir Frank Noyce and the mover with instructions to report within a week. He said that the consideration which induced the House to pass the Safeguarding of Industries Act last year was a necessary justification for the measure before the House. The Industries concerned had to face an abnormal competition from Japan grievously enhanced by a heavily depreciated currency. After the budget session last year the Government issued an elaborate questionnaire to all industries and various chambers of commerce and as a result of thorough consideration by the Tariff Board they came to the final conclusion that the industries required action under the Safeguarding Act. In short, this Bill represented the conclusions then arrived. He quoted several illustrations to dispel any lingering doubts about the extent of the competition which the industries had to face. While imports had been steadily increasing by leaps and bounds year after year the prices were going down abnormally, but the Safeguarding Act could not be taken advantage of till October last when the trade convention ceased. The Bill was not intended to give substantive protection to any industry but in fact it was a temporary shelter to help the industry against an abnormal competition.

Sir Joseph Bhore illustrated the point that the Bill aimed merely at restoring the competitive condition existing in 1930-31 and said that in the year Japanese umbrellas (duty paid) were priced at Rs. 1-1-6 and in 1933 their price sank to 9 annas. The specific duty of eight annas per umbrella would restore the price to Rs. 1-1. Umbrellas imported in 1930-31 were 4,828, umbrellas in 1931-32 were 14,908, in 1932-33 250,557 and in the first half of 1933-34 they had gone up to half a million. *Sir Joseph Bhore* said that it would be easier to take action under the Safeguarding of Industries Act but when the Indo-Japanese negotiations opened the Japanese declared that the prospect of any agreement depended on whether India was prepared to afford the most-favoured nation treatment to Japan which meant that unless India wanted to have trade hostility with Japan and risk a rupture of her commercial relations the only alternative was to impose specific duties. *Sir Joseph Bhore* held that specific duties even otherwise were preferable to *ad valorem* for protecting home industries. *Sir Joseph Bhore* said that the Bill disappointed certain industries which wanted to secure substantial protection by the back door. It annoyed the importers whose business would be affected and who would be trying to take up arms on behalf of the consumers. The select committee would examine the matter. In the meantime he claimed that the Bill held the balance fairly between the consumer and the producer (applause).

Mr. Maswood Ahmed moved the circulation of the Bill till the end of July.

Mr. B. Das said that the Bill was long overdue and criticised the commerce department for being slow in giving protection. He supported the motion for a select committee.

Mr Lalchand Navalrai opposed circulation. Continuing, he said that protection should be given from the point of view of helping the industries and not for adjusting tariff consequent on signing the Indo-Japanese agreement.

ADJOURNMENT MOTION RE. CAPITATION AWARD

At 4 p. m. *Mr. Harbans Singh* moved the adjournment of the House expressing disappointment on the capitulation award. He criticised the delay in publishing the report after the signature and that too in a mutilated form and without the minutes of dissent in full of Sir Shadilal and Sir S. M. Sulaiman. Were these two eminent Chief Justices of Indian High Courts so injudicious in their language that their observations could not be published? India was greatly dissatisfied at the findings of the tribunal and the award made by his Majesty's Government. According to the present first Lord of the British Treasury, who made his statement 20 years ago, nine-tenths of the army in India was an imperial charge. No less than 14 times was the army in India taken out for imperial purposes. Even when the Indian army was used along the Indian frontier its expenditure should be regarded as part of the imperial defence, for the frontier of India was also the frontier of the empire and the army in India protected the British commercial interests in India. In the colonies and dominions they spent only one-fifth of their revenues on the army and if there was any excess expenditure it was shared with the British Government. Why should not a similar consideration apply in the case of India. True, the Government of India fought well on the question of capitulation and the India Office, London, also fought for justice for India, but to no avail. *Mr. Harbans Singh* contended that at least half of the total expenditure should be borne by his Majesty's Government for presently the ratio of India's military expenditure to the general budget was the highest not only in the empire but in the world.

Mr. S. C. Mitra did not agree with *Mr. Harbans Singh* that the Government of India had done their best. Why should the tribunal be prevented from discussing the capacity of India to bear the expenditure and the proportion of the military expenditure should bear to the general budget? India would get only two crores under the award which is a fleabite in the huge expenditure. Moreover, the calculation was based on nine months' training whereas the Government of India had insisted on six months' training. The British Government should not have been the judge in the matter for it was an interested party.

Mr. Ramsey Scott, speaking on behalf of the European group, congratulated the Government of India on their achievement and declared that the British Government had treated them fairly, but while he welcomed the award in so far as it related to present and future, he reminded Sir George Schuster that in his speech to the Assembly in 1931 he had declared that his Majesty's Government had agreed that whatever settlement was arrived at would be given a retrospective effect from March 1926. The tribunal was not asked to deal with the past. He maintained that payment was due to India from March 21 and asked the Army Secretary to explain why this had not been done.

Mr. Tottenham, Army Secretary, replying said that he was satisfied that the adjournment motion could not be a censure against the Government of India. The general effect of the award was that India would receive roughly two crores annually and the matter before the house was whether that was an adequate contribution.

Mr. Abdur Rahim asked what would have India gained if India's claim was accepted in full.

Mr. Tottenham continuing assured *Mr. Harbans Singh* that the notes of Sir Shadi Lal and Sir S. M. Sulaiman merely put elaborately the India Office case and they were not suppressed because they would have strengthened India's case for higher contribution. However, every argument used in the debate and used in the notes of the Indian members had been put before the tribunal and the Commander-in-Chief, who has had long experience of the War Office and of India and was in a position to see both sides of the case was of opinion that India's success was due to the very able and excellent way in which her case, was presented and argued before the tribunal. That was a matter for congratulation and not censure.

Mr. Tottenham paid a tribute to the work of *Mr. McLeod*, military and financial

adviser and of counsel and particularly acknowledged the work of the officials of the India Office who had so completely identified themselves with India knowing that if their argument succeeded they would be burdening the British tax payer. The Government of India was asked whether they were prepared to accept the majority findings of the tribunal and considering that the matter has been fought for 60 or 70 years even before non-official opinion in India took any interest in the matter, they thought that no useful purpose would be served by higgling and they accepted the award.

Mr. Tottenham said that the award was based on the ground of the readiness of the army in India for imperial purposes and that India was the training ground for active service such as did not exist elsewhere in the Empire. These were formidable grounds but it was extremely difficult to attach a definite rupee value to them. Some members had suggested that the Indian army has been used 14 times abroad, but that covered 80 to 90 years. During the past 50 years the Indian army was used only seven times which meant once in seven years and at no time the cost was above one-half million pounds. Mr. Tottenham opined that they were lucky to get an annual contribution of one-half million (Opposition's ironical laughter). In fact, when the Finance Member had, in December, 1932, agreed to provide an opportunity for a debate in the House they did so fearing that the decision would be adverse and India might be asked to pay extra instead of receiving a contribution (Laughter). Finally, Mr. Tottenham promised to forward the debate to the India Office for his Majesty's Government's information.

Sir Abdur Rahim regretted this unsatisfactory way of discussing most vital question and urged the Government to place all the material including arguments of counsel before the tribunal and allot a special day. He asked whether any evolution had been made for the interests of the British and India and the rest of the empire in this matter. India could not develop herself in any way with the incubus of the huge military expenditure out of proportion to her needs, but kept on for the maintenance of a huge army for imperial purposes. Why then should England not contribute a proper share? However, even two crores was welcome in these hard days.

Mr. B. Das recalled the adjournment debate in September 1932 initiated by himself over the unsatisfactory terms of reference of the Capitation Tribunal and was not surprised at its recommendations. Two crores of rupees' award was an insult to India when compared with the cost of maintenance of the huge army for imperial purposes in India which Sir Shadilal described as the 'eastern barracks of the empire'. There should have been an imperial conference to decide what India's share in this imperial burden should be. Burma and Aden were to be separated. And was this army still to be kept at the present strength? Was this point placed before the tribunal? Britain being a party the matter must be placed before the League of Nations whereof India was acclaimed as an original member.

Mr. Ranga Iyer agreed with Sir Abdur Rahim that sufficient material had not been placed for proper consideration and yet they could not throw away two crores.

Sir George Schuster opined that India had gained something substantial by this award. There were three matters before the tribunal. Firstly, capitation charge with the War Office; secondly, Air Minister's claim in respect of the capitation charge and lastly India's claim for a general contribution. On calculation it appeared that the first two figures set themselves off against each other and that was why there was no retrospective effect given to this award. As for the claim for a general contribution, they might feel disappointed at the figure of two crores. The tribunal did not take account of the point whether troops maintained in India were more than what were required for India's own purpose because that was a military issue and would have meant disclosing secret plans.

Capt. Lachand advised the House to trust the Government of India in their efforts to defend India's claim and accept the award gratefully.

The motion was talked out and the Assembly adjourned.

ANTI-UNTOUCHABILITY BILL

25th JANUARY :—This being a day for non-official bills the House took up further consideration of Mr. M. C. Rajah's Anti-Untouchability Bill.

Pandit S. N. Sen, who had not finished his speech in the Simla session, resuming his argument opposed the bill. He also maintained that as the subject matter of the bill was sub-judice before a Poona court, the bill should be ruled out in the same way as Mr. Patel did against the Public Safety Bill. The President asked the

speaker to read the plaint (which Pandit Sen did) to show how the matter was *subjudicie*:

The President said the case was instituted after the introduction of the bill. He added it would be an impossible position for any legislature if bills could be held up because some one filed a case before a court of law and make the matter *subjudice* to prevent a certain measure from being passed.

Pandit Sen thereupon raised another point taking his stand on sec. 84 of the Government of India Act. He said the Indian Legislature being subordinate to the British Parliament it could not pass a measure contravening unwritten laws.

Raja Bahadur Krishnamachari intervening helped to explain Pandit Sen's point and said freedom of worship and conscience were inherent rights conferred on the people of Great Britain and Ireland under the Magna Charta and the Petition of Rights and recognized as an unwritten law. The Indian Legislature being subordinate to Parliament had no right to interfere and the present bill was *ultra vires*.

The President ruled that the bill did not make inroads on the freedom of worship or conscience and did not contravene the unwritten laws of the United Kingdom (Applause).

Proceeding, Pandit Sen criticised Mahatma Gandhi and said Mahatma Gandhi had been boycotted for his unreligious movement in the United Provinces and Bengal.

Several members interrupted that Mahatma Gandhi had not yet gone to the United Provinces and Bengal.

Pandit Sen emphasised how Mahatma Gandhi evaded invitations from Pandits and the Sankaracharya for discussion. He pointed out that several Sanatanists were seriously injured at Jubbulpore and Palghat at meetings where so-called non-violent crowds were shouted down. The speaker maintained that Mahatma Gandhi was not a Hindu. Instead of openly admitting the failure of civil disobedience he found an excuse in the Harijan movement which was another Himalayan blunder. He contended that untouchables, whatever their culture, could not come up to the standard of caste Hindus. He warned the Government against another mutiny and asked them to intervene by putting a stop to Mahatma Gandhi's irreligious campaign.

Mr. JadHAV occupied half an hour replying to criticisms against the measure. His remarks about certain aspects of untouchability provoked the wrath of Mr. Amarnath Dutt and a few others. Mr. JadHAV maintained whatever the origin of untouchability the untouchables were entitled to be treated as human beings.

Raja Bahadur Krishnamachari moving for circulation said it was agreed by Mahatma Gandhi that legislation against untouchability would be passed in the first national Parliament and in the meantime no coercion would be used to remove it.

Mr. Ranga Iyer asked if passing of legislation meant coercion.

Raja Bahadur Krishnamachari replied that any legislation was coercion if it was against the conscience and religion of the people. Continuing, Raja Bahadur Krishnamachari regarded it as a tragedy that those who did not know Sanskrit and could not understand Hindu law posed as its interpreters and wanted to amend it, leaving it to the British courts to apply it. On the authority of Mahatma Gandhi and the Government of India Raja Bahadur Krishnamachari maintained that this bill interfered with religion. He took to task those persons who had no occupation, posted as reformers and went about the country, wasting their own time and others' money and thrusting their non-religious belief on others. He particularly criticised Mahatma Gandhi who, he said, was changing his views from time to time, trying to justify all those views, ruining careers of thousands of youngmen and now depriving foolish people their money. His epithet of 'Harijan' for untouchables was widely resented by the untouchables themselves and one Srinivasan had stated so in a Madras paper.

Concluding Raja Bahadur Krishnamachari said revolutionary changes had occurred in the social life of India during the last 30 years and many more were expected in the next 15 years. Why then impose them by force and thereby lose a good chance of uniting all together and obtaining the goal?

OF INDO-JAP TREATY IN LONDON

The adjournment motion regarding the signing of the Indo-Jap treaty was taken up. Mr. B. Das referred to the fact that when it was decided to have the Conference in India it was acclaimed as giving a new status to India. Now, however, it was proposed that the Indian delegates were not to initial the treaty in India and

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the formal signature should take place in London. This treaty was merely a domestic matter concerning India and Japan and Mr. Das asked what objection could the Foreign Office in London take thereto. The treaty itself as published was good and Sir Joseph Bhore and other delegates deserved congratulation. He was glad that the Government had not been side-tracked by Bombay millowners. But, he asked, did the Government of India ask the British Government to confer on them plenipotentiary powers in this respect so that the formality of signing be also done in India. If not, why not? India had signed the Treaty of Versailles as a separate entity and, also, Locarno and Kellog Pacts. Now the Indian delegates to the Universal Postal Congress would sign at Cairo. Why should not the same right given in the case of this purely commercial convention with Japan when India is supposed to enjoy a fiscal autonomy convention and when Britain's foreign relations were not disturbed thereby.

Mr. S. C. Mitra said that no international obligation of the British Government was violated by the agreement and basing the claim on India's signing of Versailles Treaty and the Disarmament Convention, the speaker pleaded for signing the treaty in India. He hoped Government would not stand on formalities and would pay heed to the national sentiment and self-respect. *Mr. Mitra* thought Mr. B. Das had rendered a national service by bringing this matter before the House.

Sir Joseph Bhore, replying, emphasised the constitutional position of India and said the only exception he knew of was the Versailles Treaty.

Sir Joseph Bhore continued: 'India is not an international unit and had never been treated as an independent unit of the Commonwealth. If my friend's suggestion is that the constitution be changed, it is a perfectly logical position, but so long as the constitution stands we cannot get away from the consequences of that constitution.' *Sir Joseph Bhore* dissected the motion and said that as regards its charge that the signing of the treaty of London would reduce the constitutional status of India, at present it was impossible for the Government of India to enter into a treaty and whether the treaty was signed in London or India that constitutional position would remain unaltered.

As regards the integrity of the Fiscal Autonomy Convention, *Sir Joseph Bhore* said there was not a vestige of truth in the suggestion that Whitehall influenced them. He remarked: "The conclusions embodied in the treaty were ours and ours alone (applause) arrived at by the Government of India, as being in their judgment in the best interest of this country. The treaty will be signed in London between representatives of his Majesty's Government and the Government of Japan, but the signing of this treaty will not alter by one jot or tittle the substance of the agreement. (Hear, hear.) The Government of India claim that the fiscal autonomy convention was honoured in the spirit and the letter. Mr. Das is straining after the shadow when we already have the substance in our hand". *Sir Joseph Bhore* took the opportunity of publicly acknowledging that during the whole course of the negotiations they were fully assured of the help and support of his Majesty's Government and that fact was a matter of utmost value and importance. (Applause).

Concluding *Sir Joseph Bhore* said: 'For the first time in our history we have through our own representatives, on our own soil, entered into an agreement with the representatives of a foreign country. That marks a definite epoch in our history and I would ask this House whether it is for that that they move this motion in order to censure the Government. (Applause). He asked Mr. Das to withdraw the motion.

Mr. B. Das said his speech was misunderstood. He did not say the Government of India did not act rightly but wanted them to ask the British Government to confer plenipotentiary powers on three Indian delegates to sign the treaty.

Mr. Das then withdrew the motion. The House at this stage adjourned.

THE TARIFF BILL

26th. JANUARY :—Discussion was resumed to-day on the motion for a select committee on the Tariff Bill. Supporting the select committee motion *Mr. JadHAV* read out several telegrams from the Ogale Glass Works urging protection against Japanese inroads into the Indian market.

While warmly supporting the Select Committee motion, *Mr. Mody* deprecated the Commerce Member attaching too much importance to the most-favoured-nation clause which nowadays had been looked upon by several countries most unfavourably. In his opinion the most-favoured treatment was not sacrosanct in commercial treaties as used to be a few years ago.

Referring to the consumers, the speaker maintained that they had no right to clamour against the measure as inaction at the present juncture would mean India to be perpetually an exporter of raw materials, always looking for foreign countries to send manufactured goods.

Mr. Ghuznavi vigorously expounded the view-point of consumers and characterised the bill as amazing as it surely was not in the interest of the masses and neither in the interest of the minor industries, particularly the hosiery industry. He criticised the Commerce Member who did not care to quote the figures of import before 1931-32. He maintained that the reduction of prices of imported articles was not due to the Japanese yen but to the world-wide depression. He reminded Government of the intense Congress boycott movement during 1931-32. Naturally import were considerably less that year. He had the figures for certain articles the imports of which fell 60 per cent. and now thanks to the effective measures taken by the Government normal conditions had been restored with an outlook for increased trade. Showing samples of undervests Mr. Ghaznavi remarked that it cost 10 ss. per dozen and now the duty imposed was Rs. 1-8 so that it could not be sold for less than Rs. 2-2. He asked, was it in the interest of the consumers? In the name of a handful of industries—

Mr. Ramsay Scott challenged that he could supply any amount at Rs. 1-4 a dozen.

Mr. Ghaznavi retorted—'You yourself had admitted you could produce only 23 per cent. How can you supply the whole requirements?

Sir Joseph Bhore—It is an under-estimate.

Proceeding, Mr. Ghuznavi quoted several other industries like pottery, umbrellas, etc., and emphasized that there was no justification to impose such a heavy duty of 250 per cent. on the mere excuse of depreciation of the Japanese yen. They could not infuse efficiency in inefficient industries by mere protection.

Continuing, the speaker said that there was no umbrella industry in India. Then why a specific duty of 8 as. was levied so that the prices of even toy umbrellas costing three or four annas had increased enormously. He warned the Commerce Member that by this measure he was simply goading them to follow Mahatma Gandhi to wear only loin cloth and take sun-bath and rain-bath. (Laughter).

Concluding Mr. Ghuznavi felt that neither Indian industry nor imports will thrive while the measure was definitely against the interests of the masses.

Mr. Ranga Iyer described Mr. Ghuznavi's speech as in the interest of the Japanese masses and against the Indian masses. Why should the champion of the Japanese masses add to the severity of the unemployment problem in India. He (the speaker) would rather see 30,000 starve in Japan than 300 in India.

Sir Abdur Rahim did not object to the bill being taken to the select committee but wanted members of the committee to understand its complicated nature and the economic and political issues involved. Government might get the bill or any measure passed here. But responsibility would rest solely on an executive irresponsible to the House. The question was whether the industries to which the bill intended to afford protection were capable of establishing themselves at an early date and benefitting the country as a whole. He asked how many companies which were affected now had proved their case for protection. Had they shown their dividends? If so, before whom?

Sir Joseph Bhore informed that the Tariff Board's President and the Director-general of Commercial intelligence conducted the investigation of figures relative to imports of the articles in question and the questionnaire was issued to every industry and every chamber of commerce.

Sir Abdur Rahim remarked that mere questionnaires were not enough. Have the facts been tested? Have the interests of the consumers been taken into consideration? If the price level of manufactured articles was raised what was the price level of agricultural produce? Is there not greater need to protect the agriculturists? 'I do want industrialisation in India. But by this protection or subsidy industries must have a fair chance to establish themselves. Otherwise, where is the need for entering into this economic war against Japan? If by the bill only a few industrialists alone are to benefit and not the people as a whole then I object. We are prepared to protect our own industries and benefit our own countrymen. Whether it affects Japan or Italy or any other country is no concern of ours.'

Mr. Joshi asked why the facts reviewed by the President of the Tariff Board and the Director General of Commercial Intelligence were not placed before the Assembly? Was it not a duty of the Government of India to have informed the

public of the facts? Why should Government be afraid of publicity and how was the country to judge the justification for such measures of protection? It appeared to him that the House trusted the Commerce Member too much. (Laughter).

Mr. S. C. Mitra said there was perfect agreement on the principle of the bill. It was the duty of the Select Committee to see that the consumer was not unduly penalized. He complained against the Select Committee being hustled. Mr. Mitra's complaint against the committee being hustled was taken up by others including Raja Bahadur Krishnamachari with the result that on the President's suggestion Mr. Azhar Ali's motion for a committee to report not later than Feb. 5 was adopted.

Sir Joseph Bhore wanted the House against accepting the circulation motion of Mr. Maswood Ahmed as it would render protection illusory and nugatory for a long time. He maintained that the bill was intended to help people and not a few industrialists only, because, for instance, hosiery, soap and sugarscandy were largely cottage industries. This bill had the same object as the Safeguarding of Industries Act passed by the House about a year ago. The suggestion that it was intended to help the industrialists of Britain was fantastic.

Referring to Mr. Ghuznavi's and Sir Abdur Rahim's charge that nothing had been done to raise agricultural prices, *Sir Joseph Bhore* referred firstly to the Wheat Import Duty Act the effect of which had been to arrest the fall in prices; secondly the Indo-Japanese Agreement by which one-third India's cotton crop would be sold and thirdly the Ottawa Agreement under which enormous increases were recorded in the exports of rice and linseed.

Concluding, *Sir Joseph Bhore* promised to place before the Select Committee all relevant facts so that when the bill emerged it would be a fair and reasonable measure and the scales would be held evenly between all the interests in the country.

Mr. Maswood Ahmed withdrew his circulation motion. The motion for a Select Committee which would report by Feb. 5 was carried.

At the President's suggestion, *Sir Joseph Bhore* promised to supply a memorandum explaining the existing level of duty and the proposed changes against each item along with the Select Committee's report.

IMPERIAL BANK BILL

Sir George Schuster next moved for consideration of the Imperial Bank Bill as reported by Joint Select Committee of both Houses. He said it was in fact a consequential measure based mainly on the proposals of the Reserve Bank Bill and as such he hoped none of the provisions would be controversial. He hoped the House would pass the measure.

Dr. Ziauddin moved an amendment that the bill be recommitted to the same Joint Select Committee. He criticised the exorbitant discount rates of the Imperial Bank and thought that the statutory provision for giving 12 per cent dividend to the share-holders while the rate of interest was only three or three and half per cent was justified. He emphasised that a second bank by statute, besides the Reserve Bank, was unnecessary.

The Assembly then adjourned till the 29th.

SEA CUSTOMS ACT AMENDMENT BILL

29th. JANUARY:—*Sir George Schuster* introduced the bill to-day to amend the Sea Customs Act, 1878. Under Sec. 42 of the Act a drawback of seven-eights of the customs duty paid on goods on importation is repayable at the re-export of goods subject to certain conditions. The provision was originally intended to apply to merchandise imported for sale in order that the goods remaining unsold in this country might be sent for disposal in other markets without the handicap of a tax. In practice, however, this concession was allowed even in respect of goods which passed into use after import in violation of the ordinary accepted principle that customs duty is a tax on consumption. In many cases like cars and cinematograph films goods spend much or most of their useful life in this country within the period allowed before re-exportation under the claim for drawback. The Government of India have long felt that to grant a drawback on used goods was wrong in principle and they decided that the payment of such drawback be discontinued except in special cases to be prescribed by rules. The present bill is meant to give effect to this decision. This has become pressing as a result of certain circumstances now arisen, namely increasing inducement now afforded by the considerable enhancement in the rates of customs duty in recent years and the demand for prohibition of drawback on exposed cinema firms on their re-exportation.

RULES UNDER SEA CUSTOMS ACT

Sir George Schuster moved for the election of six members who along with two Government nominees would constitute a committee for the purpose of calling for and considering reports regarding the working of rules made by the Central Board of Revenue under sec. 195-A of the Sea Customs Act and as to the effect upon agricultural and small industrial users of fuel oil of the duties imposed by the Tariff Bill passed during the last session. *Sir George Schuster* said the motion was in accordance with the promise he had made during the last session.

Mr. James on behalf of the European group said every tariff or finance bill passed by the House must affect some interest or other and it would be a dangerous precedent to elect a committee to watch the operation of the Act. He also reminded the House that the standing committee on Industries and Labour elected by the House already existed.

Sir George Schuster replying said the point should have been made when he originally offered to set up such a committee. The present constitution was such that the Government wished to show that it was responsive and they were working experimentally to some extent. He agreed that such experiments should not be regarded as creating unalterable precedents. The motion was passed.

IMPERIAL BANK BILL

The House then took up further consideration of the Imperial Bank Bill.

Mr. Vidyasagar Pandya said *Sir George Schuster* had characterised this bill as a consequential measure but in the speaker's opinion this was not so. It was another white elephant tied to the tail of the white elephant of the Reserve Bank. Proceeding, *Mr. Pandya* criticised the bill in all its aspects. He said that while there were certain improvements, they had been pushed to the background owing to the objectionable provisions which were still kept prominent. The most objectionable provision was the system of proxies. He lengthily dilated on the tardy manner in which the Indianisation of the Imperial Bank was proceeding. He also objected to the differential treatment afforded to European against Indian institutions. Concluding, the speaker pleaded for a liberal interpretation of the Reserve Bank so that the work of the Reserve Bank might be rendered smooth and successful.

Mr. Azhar Ali supported Dr. Ziauddin's amendment that no statutory privilege be given to the bank unless and until it had agreed to advance money on the security of immovable property.

Mr. Thampam on the other hand did not think that long-term credit on lands was a sound proposition. While supporting the motion for consideration he hoped sufficient pressure would be brought to bear upon the directors of the Imperial Bank to see that proper investments were made in the country to foster its economic well-being.

Mr. Lahiri Chaudhury warned the Government against alienating the sympathy of landlords and thereby inviting communism and revolution in the country. Short-term loans, he said, was a legitimate claim of the landlords and tenants who formed the backbone of the country and 75 per cent. of the population of India. If this was not granted, a statutory bank like the Imperial Bank was unfit to exist in the country.

Mr. Bhupat Singh emphasised that it was the duty of the Government to keep an eagle eye on the Imperial Bank's activities and to ascertain that the bank was not carrying on business in the interests of England as opposed to those of India.

Dr. Dalal, opposing Dr. Ziauddin's motion, opined that the Imperial Bank though constituted under statute was a private institution and the directors and Governors were exclusively responsible to the shareholders. Therefore the question of recruitment was a concern of the bank and was not under the control of the Government. *Dr. Dalal* proceeding said it was a matter of satisfaction that the Imperial Bank was sympathetic towards Indian aspirations. During the period 1921 to 1933 only 41 Europeans were recruited while 243 Indians had been taken on the supervising

Sir George Schuster said that the point of view of landowners as expressed in the debate was quite reasonable, and announced that the Government of India would be prepared to give sympathetic consideration to any sound scheme put up by provincial Governments for establishment of a land mortgage bank (applause) and that he would introduce this session a small bill at the instance of Madras Government, who were anxious that the securities of a particular cooperative land

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mortgage bank be treated as trustee securities. So far as the Imperial Bank was concerned, the Government, the House and the country were interested in seeing that the bank, which would be the agent of the Reserve Bank, was run on sound lines. A bank which dealt with the depositor's money could not be asked to do unsound business. The Imperial Bank was only too anxious to earn profits for its shareholders, and if the bank was not willing to do the business of giving long term loans on immovable property, that showed that the bank considered that it was not business. The Government of India allowed certain balances with the Imperial Bank, but these had been calculated barely to compensate the bank for its services to the Government.

Dr. Ziauddin's amendment was rejected. The House took the bill into consideration and started examination clause by clause. Series of amendments moved by Dr. Ziauddin were rejected except one which the Government accepted, namely, one proposing that the two directors nominated by the Governor-General to the central board shall not be officers of Government. Fourteen clauses were adopted and clause 15 was under discussion when the House adjourned.

A. B. RAILWAY PASSENGERS' GRIEVANCES

30th. JANUARY :—Non-official resolutions including two relating to unemployment figured on the order paper today.

Mr. G. R. Roy moved that immediate and adequate steps be taken by the Railway Board to redress various grievances of the general travelling public and particularly of the public travelling by the Assam Bengal Railway. He narrated his personal experience of the inconvenience caused by low platforms, by stations being away from the road and deaths or injuries caused by people having to use bridges and footpaths and mentioned how the upper class waiting rooms were neglected.

Mr. Hazleett, official member from Assam, who had travelled by the Assam-Bengal Railway for 35 years, thought the grievances of Mr. Roy should really be put before the local advisory committee. He hoped Mr. Roy would withdraw his resolution if Government undertook to forward the debate to the Agent.

Mr. Lahirji Chaudhury supported the resolution and said the greatest inconvenience was that no return tickets were issued on the Assam Bengal Railway.

Mr. Amarnath Dutt thought the best solution was to nominate Assembly members to the local advisory committees which would obviate the necessity of their raising debates in the Assembly.

Sir Joseph Bhowre replying expressed sympathy with Mr. Roy especially for the inconvenience caused by the low-level platforms (Laughter) and for the fear caused to him by the king of the jungle waiting for Mr. Roy. He expressed willingness to forward the debate to the Agent and when the Agent's report came to consider what could be done further. He hope the member would withdraw his resolution.

Mr. Roy said he did not want the resolution to be passed because he wanted cheap notoriety but he wanted an assurance that the grievances would be remedied. He said he had already seen the Agent and the D. T. S. and raised the matter in the local Assam Council but there was no remedy. 'It is all a case of coming and going and referring and nothing' (Laughter). Where else can I go to ventilate my grievances?

Voice—We will vote you, don't withdraw.

Mr. Roy thereupon changed his mind and the President put the resolution to vote. The Government opposed but the resolution was carried amidst cheers without division.

WORKERS' UNEMPLOYMENT

Mr. N. M. Joshi then moved a resolution urging immediate steps to protect workers of the country against unemployment and reduction of wages. He emphasised that the number of dependents had been increasing while employment was diminishing year after year. Workers at ports did not get work for ten or twelve days every month and at the same time wages had been reduced by 30 to 40 per cent. and in certain cases even more. He attributed these miseries to the reduction of wages and unemployment to the capitalist system based upon competition. There was the example of Soviet Russia where this problem had been most successfully dealt with and there were also the schemes worked out by Signor Mussolini, Herr Hitler and President Roosevelt. Having followed these countries he would suggest that under the new constitution they should lay down a fundamental right that the worker shall have the right to live. Government should immediately give effect to

the recommendation of Sir Arthur Salter for a proper economic survey and industrial planning. Dealing with the currency question the speaker said he would advocate even inflation.

Continuing Mr. Joshi said the present conditions were similar to those in times of famine and quoted the Whitley Commission's report in support of his suggestion that Government should undertake big works like new railways, canals etc. He affirmed that the unemployed in India were entirely maintained by the employed workers so that the responsibility of the latter increased. He pointed out that America and other countries despite the depression did not try to reduce the wages. So also he would request the Government of India at least to make a thorough enquiry before wages were reduced in any industry. In this connection he particularly impressed that Government ought to see that protected industries shared a proper portion of their profits due to protection with their workers. He warned that the policy of hesitancy would not do and Government must take a bold step forward and give effect to the Royal Commission's recommendations.

Mr. B. Das felt that Japan, America and other countries were rationalising their industries and though they were faced with deficits they were able to cope with the situation. In India the question was different. He complained that Government delayed the making of an economic survey of India. Mr. Das emphasised that the sovereign nations of the world were at present suffering from aggressive nationalism and they ceased to look in terms of internationalism. Under such conditions India being a subject country suffered the most. He did not agree with Mr. Joshi's advocacy of the Whitley report. In his opinion India had outgrown its recommendations and her problem was more acute and required different handling.

Sir George Schuster said the real problem was not so much industrial unemployment as Mr. Joshi's motion referred as lack of purchasing power of the masses as a whole. Mr. Joshi's premises were all incorrect and his speech merely emphasised the need of change in the method of collection and presentation of statistics. The Finance Member quoted the figures of production in the textile and steel industries in India compared to the United Kingdom, America, France and Japan during the last six years and affirmed the increase of production in India was the greatest. He repeated that even if production was not profitable the actual scale of production for various reasons was increasing. Sugar manufacture in India had enormously increased in the last few years.

Proceeding, Sir George Schuster referred to the economic survey now in progress and hoped it would lead to a better organization of statistics and production, information of which would be instructive to the public. Deflation had been suggested, so also other solutions. But the Finance Member opined there was no magic remedy for the present trouble. If they examined the position in any country whether with deflation or inflation and depreciated currencies the position was very much the same as in India. The Government of India had been trying their best within the limits of sound finance. They had restored credit. They could contemplate on a borrowing programme. But the difficulty was that sound financial schemes were not available. What was the use of building railways or other works if in the end they were not productive? If they borrowed money and piled up public debt without increasing revenue then the result would be that the tax-payer of to-morrow would have to pay. Moreover, if any unforeseen disaster like the Bihar earthquake came how could they face the situation?

Sir George Schuster observed : 'Now our credit is there and our ways and means position so strong that we shall not have any difficulty in providing money at reasonable terms in order to help the people of Bihar'. (Cheers). In fact, this period was very instructive in the economic life of the country. Perhaps after 20 years when the situation was looked back the verdict would not be condemnatory or critical. Sir George Schuster assured that the Government had not been idle. They must have patience and work hard and not rush to quack remedies suggested by some publicmen. Government members here had not the time to think out a solution of the problems as a good deal of their time was spent in the Assembly. If they had more time they might think out better. Sir George Schuster promised serious consideration of all the suggestions.

Mr. James welcomed the debate if only for the valuable announcement of Sir George Schuster that the credit and resources of India were equal to providing at reasonable rates of interest definite capital assistance to the devastated areas in Bihar. Mr. James referred to the proceedings of the World Economic Conference in which directly remunerative works like irrigation, drainge, electrification, long distance telephone, drinking water, road and bridges constructions were advocated

as providing employment and indirectly remunerative works like railway construction and long distance road routes were advocated. He was glad to find railway administration with a new capital programme and hoped provincial Governments would undertake public works of the kind enumerated above and that the central Government's offer of help for road construction would be taken advantage of by the local Governments.

Mr. James pleaded that really the urgent problem of India was to follow the advice of Sir Arthur Salter to set up an economic advisory council and plan for economic development. This lack of economic planning was responsible for Bombay's plight to-day and he forecasted that an industry which had recently grown under protection would meet similar financial losses for lack of economic planning. Japan was to-day powerful because she had for two generations deliberately, carefully and ruthlessly planned its whole economic life and behind that plan it had placed the whole resources of its Government. The Government must realize their responsibility in the matter and act without delay.

The debate had not concluded when the House adjourned.

IMPERIAL BANK BILL PASSED

31st. JANUARY :—The Assembly passed the Imperial Bank Bill to-day. When the discussion of the Bill was resumed, Mr. Thampam moved an amendment to clause 15 that loans, if any, advanced by the Imperial Bank to Indian States should be only on the guarantee of the Governor-General-in-Council as most of the States now were financially in a bad condition.

Mr. Vidyasagar Pandya, opposing the motion, observed that the guarantee of Governor-General-in-Council meant the British Indian ratepayers' money and why should it be held as guarantee against loans to the States. The amendment was lost.

Mr. D. K. Lahiri Chowdhury moved the amendment seeking to incorporate that the Imperial Bank should advance long term loans to landed classes on security of immovable property.

Sardar G. N. Majumdar gave hearty support to the amendment.

Raja Bahadur Krishnamachariar remarked that the landlords were a peculiar class of people in chronic want of money and inclined to borrow to any extent if loan is available and would never care to pay back.

Sir Abdur Rahim wanted a definite and unconditional assurance from the Government that they would establish Land Mortgage Banks all over India.

Mr. Jadhava asked the landlords to be self-reliant and establish such banks themselves.

Mr. S. C. Mitra did not understand why the Government should oppose the amendment as it was merely a permissive provision authorising the Imperial Bank to advance loans to landlords at the discretion of the directors on security of landed property.

Replying, Sir George Schuster sympathised with the object of the amendment but stated that the policy of advancing loans on security of immovable property was inconsistent with the business of the Imperial Bank. As for the landlords who are in financially sound position with unencumbered landed property, would find no difficulty to obtain any temporary accommodation they might require from the Imperial Bank. He recognised that the landlords were put to a difficult position due to the fall in prices of the agricultural commodities and needed special facilities. But such facilities could be rendered by the Land Mortgage Banks alone, which should be started and initiated by the Provincial Governments.

The amendment was lost. Other amendments moved being lost all clauses of the Bill were adopted. Sir George Schuster moved that the Bill as amended be passed. Dr. Ziauddin Ahmed, Mr. Vidyasagar Pandya and Mr. B. Das made speeches congratulating the Finance Member. The Bill was then passed.

INDIAN STATES' PROTECTION BILL

Sir Harry Haig moved that the Indian States' Protection Bill be referred to a Select Committee, consisting of Sir Abdur Rahim, Mr. C. S. Ranga Iyer, Sardar Sohan Singh, Mr. K. C. Neogy, Sardar Sant Singh, Sardar G. N. Majumdar, Mr. N. N. Anklesaria, Mr. B. Sitarama Raju, Mr. F. E. James, Mr. N. M. Dumasia, Captain Sher Mohammad, Rai Bahadur S. C. Mukherjee, Mr. B. J. Glancy, the Political Secretary and the mover.

The Home Member made a long speech and recapitulated the objects and reasons of the Bill and stated how an interesting opinion had been received on the Bill on

its circulation. There had been opinions opposing the Bill and there had been opinions supporting the Bill. But on the whole the principle of the Bill had been accepted. Continuing, the Home Member said the object of the Bill was to prevent unconstitutional agitation against the administration of Indian States directed from British India. For achieving this end it was proposed to provide a penal clause for dealing with conspiracies against the Princes, to incorporate certain preventive provisions to stop illegitimate criticism in the press as would bring the States into hatred, to give certain powers to District Magistrates and to prevent the organisation of bodies and men from developing unconstitutional agitation against the States. In the debates that followed on the Bill during the Simla Session criticisms were directed against the administration in the States but the House had to reconcile the principle of autocracy that prevails in the States.

Mr. Sitaramaraju led the opposition to the Bill. He dealt with the constitutional aspect of the question, and demanded that before they tried to protect States against unconstitutional agitation, the House must have a precise definition of the constitutional position of States, which varied from those which claimed descent from the Sun and the Moon to those descended from the revenue inspectors of John Company. He maintained that they were not protected States, as that would imply absolute internal sovereignty, which they did not enjoy. The speaker found no constitutional parallel to the position of the States, which were no more than bejewelled and bedecked begums in the Imperial harem. (Laughter). He quoted from the opinion of Justice Niamuttallah of the Allahabad High Court, that States' subjects had no other place except British India to ventilate their grievances.

Mr. Raju observed that the rule in Indian States was not despotic or autocratic, but irresponsible. Despotic rule had the corrective of public opinion, but the Paramount Power had done the greatest injury by destroying that corrective, through the support of the Army maintained by the British Indian tax-payer. Mr. Raju sympathising with States' subjects, said that British subjects were in no better position, as they did not enjoy freedom of expression or association. He added : "Let the States' people understand that we cannot fight their battles. Justice and freedom we cannot secure for them either in Srinagar, Hyderabad, Alwar or Rampur. But we do realize that their destiny is linked with ours, and justice and freedom from oppression, God willing, can be secured in Delhi, but Delhi is still far off."

Sir Mahomed Yakub said that a great deal of blackmailing and extortion of money by newspapers from the Princes in India was going on. Many newspapers in British India lived entirely on blackmail. Some measure should be taken to stop this extortion. But how could a real remedy be found if the Princes would go on inviting editors of papers, feeding them sumptuously and giving them a thick packet of currency notes? The Government of India must ask the Rulers to stop this practice. The speaker was against Federation, but now that it was coming, it was desirable that the units should be given protection. At the same time, he wished to know how the previous Act had failed to meet the requirements of the situation. He certainly thought the Bill was too wide, as it made no difference between State and a State. Of the 562 States, 454 were less than a thousand square mile in area, 452 States had less than a million population each, and 374 States had less than a lakh of rupees annual revenue. Surely, they did not wish to stultify themselves by giving protection to even petty Principalities. He hoped the Select Committee would examine the Bill carefully, and consider this and other changes.

The debate had not concluded when the House adjourned.

THE ANTI-UNTOUCHABILITY BILL

1st. FEBRUARY :—The House resumed to-day further discussion of *Rao Bahadur M. C. Rajah's* motion for referring the Hindu Untouchability Abolition Bill to a Select Committee.

Mr. C. S. Ranga Iyer, initiating attack on the opposition of the orthodox, characterised Pandit S. N. Sen and Raja Bahadur Krishnamachariar as wholly misrepresentative men. Quoting from Swami Vivekanand, Paramhansa Ramkrishna and Swami Dayananda, the Speaker said that untouchability had been sanctioned by nobody, not even by the Vedas.

Raja Bahadur Krishnamachariar, he said, was sitting to-day with Rao Bahadur M. C. Rajah in the same house here, but when he went back to Madras he would not allow him even to enter his drawing room. That usage or institution was old, and there was no reason why it should be allowed to continue. The 'suttee' was also two thousand years old. But, he asked, why did you abolish it?

Mr. Ranga Iyer charged the British bureaucracy in India with autocracy and irresponsibility and said that they were playing into the hands of orthodoxy when they disallowed the Madras Legislative Council to remove untouchability in Madras where this evil had obtained its worst and acutest form. Mahatma Gandhi was never inconsistent so far as removal of untouchability was concerned. For political reasons he might have boycotted this legislature, but why should not he ask the Government and legislature to eradicate this intolerable blot on Hinduism. He and Rao Bahadur Rajah are ready to withdraw the bills if the Madras legislature is allowed to bring these Bills.

Sir Brojendra Mitter observed that much heat had been introduced in the debate. An examination of the legal aspect of the bill would show that the bill was vague and indefinite in its scope and in effect neither the preamble nor the statement of objects and reasons, nor even the body of the Bill, referred to the disabilities sought to be removed. The Law Member said : "It only mentions that the disabilities are arising out of customs, but does not mention out of what customs. The Hindu Law is based on texts and customs, and unless light is thrown as to what particular disabilities arising out of some particular customs are to be removed, it can not be known what bearing it will have on Law. Concluding, the Law Member said, judged from the standpoint of enactments or customs or interpretation of law, the present Bill was vague and indefinite and cuts right across the law of ownership, law of trust and many other principles of law. It wanted to repeal certain enactments, but neither the Bill nor the members, who threw much heat without throwing any light, gave specific instances of enactments sought to be repealed. He described the Bill as a pious propaganda and not a serious enthusiasm for reform.

Opposing the suggestion of the Law Member that the Bill should be circulated for removing indefiniteness, *Divan Bahadur Harbilas Sarda* asserted that the Bill would remain as indefinite as it was now even after circulation. He characterised the circulation motion as dilatory tactics. He refuted the arguments of the Law Member that the Bill cuts across the principle of ownership or trust as it only sought the removal of legal recognition of certain disabilities arising out of customs and usage only.

Sir Harry Haig made the Government attitude as regards the proposed legislation clear by stating that they would support the circulation motion of Raja Bahadur Krishnamachari as nobody knew what would be the precise effect of the Bill covering very wide issues. He denied *Dewan Bahadur Harbilas Sarda's* assertion that the Government wanted to perpetuate untouchability and enumerated a long list of work done by the Madras Government towards economic and educational uplift of the depressed classes.

Deep sense of gratitude in which Mahatmaji had put the depressed classes by his crusade against untouchability was expressed by *Rao Bahadur M. C. Rajah* who accused the Brahmins of cunning in as much as they possessed all temples which originally belonged to the untouchables. In the name of law and order untouchability was maintained and it was the law he sought to remove. He refused to be denied any more the elementary human rights.

Rajah Bahadur Krishnamachari's circulation motion was, however, carried. The House then adjourned.

MEDICAL COUNCIL ACT AMENDING BILL

5th. FEBRUARY :-—*Mr. G. S. Bajpai* introduced a Bill amending the Medical Council Act which would enable the University of Rangoon *inter alia* to elect a member, from among the members of its Board of Studies in Medicine, to the Indian Medical Council.

TARIFF ACT AMENDING BILL

Sir Joseph Bhore introduced a Bill amending the Indian Tariff Act which gives effect to the Indo-Japanese and Bombay Lancashire Agreements.

INDIAN STATES' PROTECTION BILL

The House then resumed the consideration of the Indian States' Protection Bill. In expectation of an interesting and keen debate on the States' Protection Bill Mr. Panicker, Foreign Minister of the Patiala State, Mr. Sarma of the Princes' Chamber and other distinguished visitors from the States and representatives of States' People Conference were present on the galleries. Mr. Krishnamachari, who

was on his legs on the last occasion when the bill was being discussed, continuing, referred to the constitutional position of the States and observed that the Princes and the subjects of the States formed one entity. As such, there was no justification in interference, if the subjects waged war or a rebellion against the Princes.

Mr. Glancy, Political Secretary, asserted that the form of government was different in different States and the government of India could not dictate what the form of government would be in a particular State. He recognised that there was maladministration in the States, but several States had made rapid progress in improving their administration. When there was gross misgovernment in any State, the Government of India intervened to put things right.

As to the objection raised that the bill would stifle even the legitimate criticisms, Mr. Glancy maintained that it was not the case. It was in the interest of the country as a whole to stop all organisations such as Jathas which often gives rise to communal bitterness.

Sardar Harbansingh Brar began his speech on the bill, and he had not finished when the house adjourned.

WORKERS' UNEMPLOYMENT

6th. FEBRUARY :—Discussion on *Mr. N. M. Joshi's* resolution seeking to protect the workers against increased unemployment and reduction of wages was resumed.

Mr. S. C. Mitra, supporting the motion, urged the Government to do something to ameliorate the conditions of labour. He stressed it was particularly binding on an alien Government to rule in such a way as there might be peace and contentment in the country.

Mr. H. B. Clayton maintained that the industrial workers who received wages in cash were now much better off than they were in 1929 as there had been considerable fall in commodity prices without any corresponding reduction in wages.

The problem that India was faced with was that of the agricultural labour who formed 70 per cent of the total wage earners in India.

Mr. G. Morgan charged Mr. Joshi's resolution with vagueness and indefiniteness as it did not offer any specific suggestion.

Mr. T. N. Ramkrishna Reddi suggested that the petrol tax revenues that were appointed to the Provincial Governments should be ear-marked for the development of rural communications and water supply.

Mr. Abdul Matin Choudhury dealt with the resolution in wages due to depression in various countries. He said in Japan there had been reduction in wages by 13 per cent. while the Bombay and Ahmedabad Millowners reduced wages by 25 per cent. In America new avenues were being opened for larger employment by a reduction of the hours of work while in India nothing of that sort were being tried.

Sir Harisingh Gour emphasised that unemployment was a large problem which had no ready-made solution. He suggested the establishment of a Central Board of Education to direct the Universities to impart technical and industrial education as also the establishment of a Board of Industry and Trade to control and guide as to how the country's trade and industry should best be developed.

Rai Bahadur Lala Brij Kishore moved an amendment to the resolution that the unemployed agricultural labour and the educated youths might also be protected.

Dr. Ziauddin Ahmed complained that the Education Advisory Committee to investigate the means of providing industrial education was not opened on the plea of want of money. He deplored that the nation-building departments suffered due to the stringency of money. But, he said, for other departments money was always available.

Sir Henry Gidney charged the Government with breach of promise regarding the educational policy which he condemned as thoroughly unsuitable to modern requirements. He insisted that the educational system must be revised.

Mr. Amarnath Dutt deprecated the growing industrialism which drew away the agricultural labour.

Mr. G. S. Bajpai admitted that the grievance against the educational system was quite legitimate but due to financial stringency the Hartog Committee's recommendation for a Central Advisory Educational Bureau would not be materialised.

Pandit S. N. Sen attacked the system of education which enhanced unemployment.

Sir Frank Noyce replying stated that it was a mistake to divert all attention on industrial unemployment which was not very acute like the agricultural distress

caused by the heavy fall in commodity prices. He denied the existence of unemployment in technical sense but admitted that there was under-employment due mainly to trade depression. He, however, expressed his willingness to accept the resolution in modified form, namely, that the Government would take such steps to remove unemployment and reduction in wages as may be practicable.

Mr. N. M. Joshi having accepted the Government modification, the House also accepted the resolution.

Mr. S. C. Mitra then moved the resolution on equalisation of Import and Excise duties on kerosene. He asserted that discriminating treatment to the Burma Oil Companies by way of lower excise duty was most unjustified as it meant less money to the Indian exchequer, increased taxation to the taxpayers and penalisation of the consumers. The Burma Oil companies during the past 25 years had been paying fat dividends and making large profits and as such it was not entitled any more to discriminating protection. He showed that the Burma Oil Company was really an English company and being not an indigenous concern it had no claim to differential treatment. If excise duty on Burma Oil be increased to the level of the import duty the Government would get about one crore of rupees.

Mr. Miller cited figures to show how large a section of Indian labour was supported by the Burma Oil Companies and how in many ways it filled the Indian Exchequer.

Mr. Bhupat Singh welcomed the resolution as it was calculated to give relief to the poor consumers and also bring more revenues to the Government. He pointed out that with the separation of Burma, the Burma Oil Company could no longer be considered an indigenous concern. The Burma Oil Magnates who were the originators of the idea of the separation of Burma should pay the penalty of increased excise duty on Burma Oil.

The debate had not concluded when the House adjourned.

INDIAN STATES' PROTECTION BILL

7th FEBRUARY:—The debate on the States' Protection Bill was brought to an end by a closure motion from the Government side. The opposition parties insisted on dividing the House against the motion. The Government carried the vote by 59 against 38 and Sir Harry Haig replied to the debate, at the conclusion of which the House referred the Bill to a Select Committee.

This division is the first of this session, and roughly reflects the relative strength of the two sides of the Bill. The motion to refer the Bill to a Select Committee was carried by 68 to 30 votes, European, Centre and United India groups voting with the Government.

Sir Abdur Rahim asked Sir Harry Haig whether he would agree to delete in the Select Committee other provisions except 'Jathas and conspiracies'. Sir Harry Haig replied that the Press provision was an essential part of the Bill.

Resuming his speech on the Bill, Sardar Harbans Singh Brar dealt with the rights exercised by the Paramount Power over the Princes both in their internal and external affairs. If, he said, the rights exercised by the Paramount Power in internal affairs were directed to meet the wishes and demands of the subjects of the States, it would go a long way in stopping all agitations against the Princes and would conduce to their welfare. He complained that, although it was the declared policy of the Paramount Power to intervene in the interest of good Government and in the interest of the States' subjects, it was seldom applied. On the other hand, the Princes are always given undue protection, with the result that the grievances of the subjects are never redressed. Sardar Harbans Singh deprecated the demonstrations of the States' people outside their own State's border just as it was undesirable on the part of the British Indian subjects to agitate against the British Indian Government within the States.

Mr. F. E. James observed the provision of the Bill amending the Indian Penal Code gave a new definition of India covering the whole of India, including the States, which was a strikingly undesirable legal departure. The speaker opined that the Bill was urgently called for to prevent the unconstitutional agitation of the leading Jathas, which might lead to war. He admitted that there was misgovernment in certain States, but that was no argument why protection to States should be withheld. The provisions relating to Press should be carefully examined so as to allow free play of legitimate criticism. Continuing, Mr. James pleaded for reciprocity, asking the States to afford the same protection to the British Indian subjects as they claimed for themselves. He had evidence of the terrorist movement

spreading its tentacles to the Indian States, and it behoved the Princes to control the arms regulations, which did not exist in many States at all, so that arms may not be supplied to the British Indian terrorists from within their States.

Replying to Mr. James, *Sir Abdur Rahim* wondered as to who gave the lead in the matter of States' Protection, Sir Harry Haig or any other European? Continuing, *Sir Abdur Rahim* said: "The Princes are Indians just as we are and British India and Indian India are inter-related so much so that what happens in one part reacts on the other. When we are daily quarrelling for more powers we cannot possibly weaken the Princes' Powers. But that is no reason why the forms of Government should not be changed which at present are nothing but autoocracy or personal rule. Inspite of what Sir Harry Haig might say, political institutions are not like zoological or archaeological specimens meant to be preserved. But we do not want change in the form of Government. We want that there should be free play of public opinion on every kind of administration." Proceeding, *Sir Abdur Rahim* observed that the Bill would restrict certain rights, liberties and privileges of British Indians for the sake of the Princes, which was most unjustified. When the Criminal Law Amendment Act was passed which curtailed the jurisdiction of courts, it was urged by the Government that the measure was necessary to restore law and order to pave the way to political reforms. But there was no such justification underlying the present measure. Is some political reform contemplated for the people of the States, the speaker asked. That was not certainly the case, he said. The Political Department under the Federation would be placed under the Viceroy, who would remain absolutely secret and sacrosanct. Under the circumstances Indians should not concern themselves about the administration of the States.

The closure motion was carried by 59 against 39 votes.

Replying, *Sir Harry Haig* denied the allegation that the intention of the Bill was to induce the Princes to join the Federation, nor did the Government intend to stereotype the misrule, if any, in the States. He had no doubt that the liberty of the British Indian Press had been much abused. But the Bill did not preclude it from ventilating the legitimate grievances just as it criticised the British Indian administration under the existing Press Act. The papers which might be found guilty under the proposed measure will have the right of appeal. As regards the supply of arms to the terrorists, the Government had been in correspondence with the States since July, 1932 in order to ensure a stricter watch on the movement of arms. The Bill was referred to a Select Committee by 68 against 30 votes after which the Assembly was adjourned.

KHADI BILL PASSED

8th FEBRUARY :—The Assembly proceeded to transact business regarding the non-official bills.

Mr. Gayaprasad Singh, in moving his Khaddar Name Protection Bill, said that the proposed legislation was very innocuous and hoped the Assembly would pass it without any opposition from any body. He deplored the attitude of Mr. Mody and the Bombay Millowners' Association to the measure, which had the support even of the Provincial Governments of Madras and the Central Provinces. He also approved that the operative part of the Bill would depend on the discretion of the Provincial Governments.

Mr. B. V. Jadhava, supporting the Bill, said that the Bill, if passed, should be enforced immediately without waiting for Provincial Autonomy.

Mr. B. Das stated that the Bombay Millowners were making huge profits because they produced spurious stuff but passed it as Khaddar.

Mr. C. S. Ranga Iyer and *Dewan Lalchand Navalrai* also supported the Bill, which was then passed without any opposition.

BILLS FALL THROUGH

Dewan Bahadur Harbilas Sarda, *Mr. Amar N. Dutt* and *Khan Bahadur Wajhiuddin* being absent, the Bills standing against their names fell through. The Bills related to the maintenance of Hindu widows, Succession to Stridhan under Dayabhag, Repeal of Bengal State Prisoners' Regulation of 1818 and the amendment of the Child Marriage Act.

BILL TO PROTECT MINOR GIRLS

Kunwar Raghbir Singh, in moving for consideration of the Bill to protect minor girls, said that the evil of daughter-selling assumed dangerous proportion in Indian society and considerably increased the number of widows. He further stated that the Bill provided for the protection of minor girls against inequality of ages of the bride and the bridegroom and their treatment as commodities.

Mr. Jadhava, while supporting the principle of the Bill, pointed out the difficulties of legislation in a matter like this.

According his hearty support, *Dewan Bahadur Harbilas Sarda* thought that the circulation of the Bill was unnecessary.

Bhai Paramanand thought that the Bill was useless and requested the mover to withdraw it.

Sir Harry Haig stated that there was already provision in the Child Marriage Restraint Act to penalise the parents who marry their girls below 14 and as regards the sale of minor girls, the Indian Penal Code already covers the offences of that kind. He informed the House that the Government would support the circulation motion.

The circulation motion was accepted by the House.

BAR COUNCIL ACT AMENDMENT

Mr. Amarnath Dutta moved for circulation of the Bill to further amend the Indian Bar Councils Act of 1929.

Sir Harisingh Gour wanted that the distribution between the English and Indian bars should continue but the barristers should pass some qualifying examination in this country entitling them to practise in India.

The Law Member declared that personally he was of opinion that there should be a uniform Indian Bar but, nevertheless, distinctions existed which were partly historical and partly inevitable. He thought that time would come when the whole of Indian Bar would be manned by Indian law graduates. As the matter was very controversial he thought that public opinion should be sought.

Sir Lancelet Graham, Law Secretary, supporting the circulation stated that the existing law imposed no distinction between two branches of the Bar.

That the barristers are more cultured, more refined, and more respectable was the claim put forward by the barrister section of the House such as Messrs. Bhagatram Puri and Anwarul Azim while the vakil's case was taken up by Mr. Sant Singh who described the former as "imported lawyers."

After Mr. Amarnath Dutt's reply the House agreed to circulate the bill amending the Indian Bar Council Act.

OTHER NON-OFFICIAL BILLS

Galloping progress was then made by the House in the disposal of business after this, as many as fourteen non-official bills being introduced among whom may be mentioned Mr. Raghbir Singh's Bill to Protect the Milch Cattle, Mr. Aggarwal's Specific Reason's Right of Partition Bills, Mr. Navalrai's Indian Arms Amendment Bill, the Land Acquisition Amendment Bill, the Hindu Temple-Entry Disabilities Removal Bill, Mr. Amarnath Dutt's Criminal Law and Civil Procedure Code Amendment Bills and Mr. B. Das's Indian States' Protection against Disaffection Amendment Bill.

The House then adjourned till the 13th.

DEBATE ON THE TARIFF BILL

13th. FEBRUARY:—That the Tariff Bill was not meant to afford substantive protection for industries, but to restore prices to a competitive level, was admitted by *Sir Joseph Bhore* to-day. When *Sir Joseph Bhore* asked the House to consider the Tariff Bill as amended by the Select Committee, *Dr. Ziauddin Ahmed* launched an attack, saying that the days of free trade had gone. The whole world, he said, was going more and more for protection and he wanted protection also for India, but surely not for the benefit of the capitalists. He wondered why the Government still maintained the over-valued exchange rate while it was seen that the cheapness of the Japanese goods were due to the depreciated Yen. *Dr. Ziauddin Ahmed* pointed out that the specific duties imposed on the miscellaneous articles applied to non-British goods while British goods would be taxed at the 'advalorem' rate which meant that the Indian industries would not get the desired protection.

Mr. Ramsay Scott said that he would not accept anything short of 12 annas per pound as the specific duty on undervests. He considered the protection measures taken by the Government to be unsatisfactory and half-hearted.

U Ba Maung pleaded for the exclusion of Burma from the operation of the Tariff Bill as the Burmese were not connected with either of the industries concerned or import trade because they were mainly agricultural and secondly that Burma was likely to be separated.

Mr. Amarnath Dutt regretted the exclusion from the original Bill by the Select Committee of the 30 per cent. duty on enamel-were as half a dozen enamel factories were run specially in Bengal and if protection was withheld, the Indian enamel industry would perish.

Mr. B. Das gave a warning that Japan was a menace to the smaller industries of India.

Mr. S. C. Mitra observed that, as in the present Bill the Government committed itself to the principle of discriminating protection, the Government ought to see that adequate protection was given to the industries. It should also be enquired thoroughly whether other industries not mentioned in the Bill require any protection. He stressed that enamelled hollow-ware industries produced articles worth 12 lakhs of rupees whereas the country's total consumption was 33 lakhs. The potentiality of this industry was great. So it should be protected by all means.

Mr. A. H. Ghuznavi also opposed the Bill. *Mr. C. S. Ranga Iyer* supported it.

Sir Joseph Bhore, replying, explained that the Bill did not aim at giving substantive protection to the industries, but to restore the competitive prices prevailing in 1930-31, making allowances for the general fall in prices. With regard to the complaint of *Mr. Ghuznavi* that duties on certain Japanese articles had been exorbitantly high, he stated, that Japan imposed even higher duty on the same articles. The Commerce Member refused to exempt from duty the contracts entered before the Bill was introduced as the importees had got sufficient notice for consideration before the Bill was passed.

Mr. Ghuznavi's attempt to omit the duty of Rs. 10 per hundred-weight on fish and whale oil proved abortive in spite of the support given to him by *Dr. Ziauddin Ahmed* and *Sir Leslie Hudson*, leader of the European group.

Mr. Ghuznavi was again supported by *Dr. Ziauddin Ahmed* when he tried by another amendment to remove the duty of Re. 1-8 per dozen on cotton undervests and 10 annas per dozen pairs on socks and stockings which was rejected by the House.

The next amendment by *Dr. Ziauddin Ahmed* seeking to replace the specific duty of Re. 1-8 per dozen on cotton undervests by nine annas per pound, shared the same fate. The House then adjourned.

14th. FEBRUARY:—Further discussion on *Mr. S. C. Mitra's* resolution urging equalisation of excise and import duties on kerosene and other mineral oils was resumed to-day.

Mr. B. V. Jadhav gave a hearty support to the motion. He pleaded the case of the poor consumers, who had to pay more as the import duty on kerorene was higher. The speaker did not understand why any preferential treatment should be accorded to the Burma Oil Company and observed that the past prosperity and accumulated reserves of the Burma Oil Company had been the target of the resolution.

Dewan Bahadur Ramaswami Mudaliar opposed the resolution, as he thought that the enhancement of excise duty would result in the enhancement of prices of kerosene which would affect the consumers. On the other hand, if import duty was lowered the Government would lose revenue.

Mr. Ba Maung described how the Burma Oil Company helped the Indian cause and opposed *Mr. Mitra's* proposal.

Sir George Schuster considered that a resolution of this nature was very embarrassing for the Government as they could not usefully take part in the discussion without disclosing their budget position, and he thought it very unfair that an attempt should be made to force the Government's hand. He considered the resolution to be very vague as it did not say how to equalise the import and excise duties, its only object being to hit the oil companies which were fostering indigenous industries. He, however, expected the oil companies to secure the lowest possible rates for the consumers.

This provoked an angry reply from Mr. Mitra, who hoped that the resolution would be accepted in the spirit in which it was moved. He also characterised Sir George Schuster as the priest giving his sermon and showing sympathy for Indian industries, which was not genuine. The fact was that the British Government possessed 90 per cent capital interest in the Burma Oil Company and the Govt. of India had been turned down by Whitehall, who consider the Government here as mere post office. Why the Burma Oil Company and the Socony, the two great oil companies, control the prices in India and the India Government being week-kneed can not control them, asked Mr. Mitra. As he thought that his purpose had been served, Mr. Mitra withdrew his resolution.

LOAN TO BIHAR

Mr. G. P. Sinha then moved : "This Assembly recommends to the Governor General-in-Council that he may be pleased to advance such loan, without interest or at a very low rate of interest, to the Government of Bihar and Orissa as will be required to help reconstruction of the economic structure of Bihar, devastated by the recent earthquake. The mover gave a detailed account of the havoc caused to the people and to the Government, who received the major part of their revenue from the areas affected. He hoped that the country and the Government would lend a helping hand in the dire distress.

Maulana Shafi Daudi said that immediate relief was now given in a liberal scale, but permanent reconstruction was required, not only in respect of private houses but also in respect of local bodies. Distress had brought the people and the Government together and removed the previous estrangement and this atmosphere might spread to the rest of India.

Mr. E. Studd, on behalf of the European group, whole-heartedly supported the resolution and instanced how the European planter families too had suffered losses. He hoped that the Government of India would not only advance loans, but would give at least some portion of loans without interest. It was a national calamity, but the one bright spot was that it had brought co-operation between different classes. By helping Bihar they would be helping the cause of India.

Mr. B. Das sympathised, on behalf of Orissa, with the sufferers in Bihar and suggested that loans be advanced, not under arbitrary limit, but according to the capacity of an individual, repayable within fifteen years, of which in the first two years no interest would be charged for the money invested in rebuilding the house.

Sir Cowasji Jehangir said that if the Finance Member suggested that no interest would be charged for loans, the Assembly should approve the suggestion (hear, hear). He estimated a crore and a half for repairing the Government buildings, three crores for helping private people and a few crores for municipalities. The estimate of five crores suggested by the Secretary of State was very inadequate.

Sir George Schuster, replying, said that if the resolution aimed at whipping the Government to take interest, it was unnecessary. If it aimed at supporting the Government and expressing sympathy with Bihar he welcomed it. The Government of India had already given earnest consideration, and Sir Allen Parsons, Finance Secretary, had examined the position on the spot. Sir George Schuster, however, asked the House to remember two things. Firstly, they were dealing with public money and should see that the money used be most economically spent. For this, they would depend on the Bihar Government. Secondly, various types of cases had to be met, and each case would require separate action.

DUTY ON RAW FILMS

Mr. Jadhav then moved a resolution that the present duty on raw unexpected films be abolished for a period of fifteen years in order that the indigenous film industry may derive a substantial benefit and encouragement.

Mr. Dudhoria supported the resolution.

Sir Frank Noyce said that he must repeat what he had said on this resolution on the last occasion. The Government had full sympathy in the matter and the Government was prepared to consider the question of relief to an extent so that the Government should recoup themselves in respect of the drawback on films exported.

Mr. Jadhav withdrew the resolution and the House adjourned.

DEBATE ON THE TARIFF BILL

15th, FEBRUARY :—The Assembly resumed discussion on the amendments to the Tariff Bill to-day. In expectation of an animated debate on the conflicting interests of various industries and import trade public galleries were pretty full with the repre-

sentatives of hosiery and enamel industry watching minutely the fate of the respective amendments concerning their interests.

Dr. Ziauddin Ahmed moved an amendment to substitute the duty of ten annas per dozen pairs of socks and stockings to six annas per pound, the intention being to reduce the burden of the consumers of Japanese articles.

After *Sir Joseph Bhore* replied, Dr. Ziauddin Ahmed's amendment was rejected amidst loud cheers.

Mr. D. K. Lahiri Chowdhury moved an amendment for imposition of 30 per cent of import duty for domestic hollow-ware namely, basins, bowls, dishes and plates, including rice cups, rice bowls, rice plates etc. The mover asserted that acceptance of his motion would be the acid test of the House as to whether it supported Indian industry or not. Mr. Lahiri Chowdhury showed samples of various enamel wares manufactured by Indian concerns and compared them with similar Japanese products and emphasised that in quality and durability the Indian articles were superior.

Mr. Bhupat Singh : What about the price?

Mr. Lahiri Chowdhury : That's a nice question. The present Bill is to restore the competitive prices prevailing in 1931-32. In 1931-32 Japanese rice-cups were sold at Rs. 2-6-0 per dozen, whereas the Indian rice-cups were sold at Rs. 2-4-0 per dozen. At present due to Japanese dumping the Indian products could not compete, but even then it proves cheaper in the long run as it is far more durable. The Bengal Enamel Works was started in 1920 and they had made out a good case for protection.

Continuing, *Mr. Lahiri Chowdhury* said that the Indian hollow-ware industry is at present meeting one-third of the total demand of the country and it had got potentiality. It could supply, he said, not only the total demand of the country but also compete in the world market provided it gets proper encouragement and support. The speaker made a strong plea for adequate protection to the industry for some time so that it could stand on its legs within a short time and then it would be able to meet the country's requirements at as cheap prices as that of the Japanese articles. *Mr. Lahiri Chowdhury* appealed to the House to accept the amendment, otherwise, he said, the entire industry would be ruined.

He was supported by *Dewan Bahadur Mudaliar*, *Mr. F. E. James*, *Mr. N. M. Joshi*, *Mr. S. C. Mitra* and partially by *Dr. Ziauddin Ahmed*.

Mr. N. M. Joshi appealed to the President to follow the practice prevalent in the House of Commons and throw open the proceedings of the Select Committee to the public, at least that part of the proceedings which relate to the examination of expert witnesses or supply of information by the Government on the particular subject under discussion, because in its absence it becomes very difficult for the members who are not members of the Select Committee to judge on what basis the Select Committee came to its decision.

Mr. S. C. Mitra cited statistics to show that the Indian factories were supplying about 30 per cent of the country's consumption at prices which, if durability is taken into consideration, were much cheaper than the Japanese products.

Mr. Satish Sen followed in the same strain.

Mr. A. H. Ghuznavi was not prepared to give any protection to the industry until the Committee of Enquiry reported that the Indian enamel industry was eligible for protection.

Sir Darcy Lindsay accorded whole-hearted support to the protection proposal, because coming as he did from Bengal he knew that the enamel industry there needed protection from unfair protection.

Sir Joseph Bhore fully supported the measure as it was incorporated in the original Bill. Explaining the Government's attitude towards the Select Committee, *Sir Joseph* said that the official members remained neutral, because one section of non-official members opposed the duty.

The amendment was then carried unanimously amidst applause.

During the debate on enamel industry the *President* observed that he strongly deprecated the practice of bringing by members exhibits on the floor of the House in support of their arguments. He requested the members to discontinue this practice in future.

With the Government's support, *Mr. Lahiri Chowdhury* succeeded in the removal of imposition of uniform flat rate specific duty on domestic earthenware, China and porcelain, irrespective of sizes. *Mr. Lahiri Chowdhury*'s amendment which the House accepted divided tea-cups into those having a capacity of more than seven and a half ounces and less, duty on the former being what Government originally

proposed, namely, ten annas per dozen, while that on the latter class being four annas per dozen. Similar reductions were effected as regards the saucers, teapots, sugar-bowls, jugs and plates of smaller sizes.

Mr. A. H. Ghuznavi and Mr. Azhar Ali moved amendments for inserting new clauses by which they sought to exempt from the operation of the Tariff Act those goods for which contract had been made before December 22 last or sellers' acceptance had been put in course of transmission to the buyer before the 9th January, 1934 or which arrived any Indian port before January 15 last.

Sir Mohammad Yakub and *Sir Cowasji Jehangir* supported the acceptance of the amendment. The latter remarked that it was an exceptional case and although he did not want to set a bad precedent, he asked for exemption in this case as it was made on grounds of justice and equity. He referred to the protracted nature of the Indo-Japanese negotiations and said how could people suspend all their trade during that long period and await the result of the negotiations. The exemption in the case of goods on the high seas would not entail much loss of revenue to the manufacturers here.

Mr. Neogi, quoting from the speeches of Mr. Jinnah and Pandit Motilal Nehru delivered in 1924, pleaded that ignorance of the impending taxation whether for revenues or for protection was no argument why certain goods in transit should be exempted. He wanted the maintenance of that established principle unless some convincing reasons for a contrary action was shown. He asked the House to remember the well-known legal maxim, "he who seeks equity must come with clean hands."

Dr. Ziauddin Ahmed pleaded that the articles which had already arrived in India might be exempted from duty.

Mr. Ranga Iyer opposed the amendment. After Mr. Hardy had spoken, both the amendments of Messrs. Azharali and Ghuznavi were defeated. The second reading of the Bill being passed *Sir Joseph Bhore* moved that the Bill as amended be

At the time of the third reading of the Bill, Dr. Ziauddin Ahmed made a speech stressing that the duty on hosiery should be graded according to the size of the article and no uniform rate should be prescribed irrespective of weight or size.

Mr. S. G. Jagi pleaded that the lantern industry should be safe-guarded. *Dewan Bahadur Ramanaswami Mudaliar* congratulated the Commerce Member and asked for adequate protection to the hosiery industry. Mr. Mahapatra charged the newspapers being controlled by the industrialists and importers, and only their cause was championed by the House. But no body looked to the interests of the agriculturists.

After *Sir Joseph Bhore's* reply the House accepted the Tariff Bill as amended and adjourned.

SEDITION LAW AMENDING BILL

16th. FEBRUARY:—Mr. C. S. Ranga Iyer moved that the Bill to amend certain provisions of the Indian Penal Code, relating to offences under chapters VI and VIII of the said Code be circulated. By this Bill Mr. Ranga Iyer sought to provide against the recrudescence of prosecutions of newspapers with British Press, which could even go to the extent of charging Mr. MacDonald's Socialist Government with forgery. He asked the Government to restore the Indian Penal Code to its original purity. Continuing, Mr. Ranga Iyer stressed that in future the Government would be a Party Government, when the Press would require greater liberty.

Sir Brojendra Mitter, replying, refuted the arguments put forward by Mr. Ranga Iyer in support of his measure. He admitted that "intention" was the essential ingredient of seditious offence and, although the word "intention" did not occur in section 153-A or 124-A of the Indian Penal Code, there had been no conviction without proving that the intention of the accused was to excite disaffection or to bring hatred against Government. The Law Member further observed that there was no necessity for amending the present law, which had been found satisfactory for the last 35 years. The passing of the present measure, he stated, would introduce uncertainty as to the interpretation of the law and impose unnecessary burden on prosecution, which would make conviction for sedition impossible.

Sardar Sant Singh stated that section 124-A of the Penal Code had often been abused, as mere expression of opinion was punished under the shelter of this section. He said that Pandit Jawaharlal Nehru had been sentenced to two years' imprisonment under this section. If the judiciary was incompetent, he said, it was up to

the Government to see that the incompetence was removed. That was no business of opposition.

Replying, Mr. *Ranga Iyer* emphasised the need of amending the present law in order to liberalise it. He asked the Home Member to furnish a statement as to the number of prosecutions under a similar section of the law in England, a comparative study of which would convince them how stringent the law of sedition in India was, how it was administered ruthlessly, devastating Press and platform. Government were afraid of circulating this Bill, as public opinion would condemn the Government for abuse and misapplication of many sections of the Penal Code.

The circulation motion was, however, defeated by 47 votes against 22. The House then adjourned.

RAILWAY BUDGET FOR 1934-35

17th. FEBRUARY:—The Railway Budget for 1934-35 was presented to-day in the two Houses of the Central Legislature by *Sir Joseph Bhore*, the Railway Member in the Assembly, and *Sir Guithrie Russel* in the Council of State.

The actual gross earnings during 1932-33 were 85.32 crores against 86.50 crores forecasted in the revised budget estimate for the year.

There is a loss in the working for the year 1932-33 of 10.23 crores. The loss has been met by a temporary loan from the Depreciation Fund, which leaves a balance of 12 crores in the Fund.

The loss, after paying all charges including interest, will be $7\frac{1}{2}$ crores—a reduction from the previous year by about $2\frac{1}{2}$ crores. The loss will again be met from the Depreciation Fund.

The budget expects an increase of $2\frac{1}{2}$ crores, or about 3 per cent. in the gross earnings. The working expenses will be increased by about one-third of a crore. It is hoped at the end of next financial year, the loss will be reduced to $5\frac{1}{4}$ crores.

Account was given of the method to attract more passenger traffic by cheaper fares for short journeys. It had been estimated that tourists spend at least 60 lakhs in India annually.

"Our works programme for the coming year is rather more ambitious than that for this year. We expect that we shall require about 14 crores, of which 70 lakhs will be found by a further reduction in stores balances."

The recent disastrous earthquake has done about one crore of damage to railways. Then again serious damage has been done to the protection works of the Hardings Bridge by floods, the cost of repairing which may amount to as much as one and half crore. The works programme does not provide for any new constructions. The strategic lines show the usual 2 crores deficit.

According to estimates presented by *Sir Joseph Bhore* the final results of working of Railways during 1933-34 are not likely to vary from the budget estimate.

The estimated deficit on all railways (including usual two crores on strategic railways) is put at seven and three quarters crores as against ten and a quarter crores last year. Though passenger earnings have fallen by over a crore during the period goods earnings improved considerably.

Considerable additional expenditure is expected in repairs to earthquake damages and in repairs to and remodelling of Hardinge Bridge protection and training works.

Though full details are not available at present, it is estimated the total cost in 1933-34 and following two years may be between two and a half crores, of which the capital expenditure may be a crore and the revenue expenditure between one and a half crores.

As this is considered abnormal in character, it is proposed to spread debits on account of this to revenue expenditure between one and one and a half crores.

As this is considered abnormal in character, it is proposed to spread debits on account of this to revenue, over a longer period. Expenditure not chargeable to capital will, in the first instance, be debited to the depreciation fund and repaid from the revenue by instalments of fifteen lakhs yearly.

The net revenue of railways in 1933-34 is expected to be two crores higher than the previous year and the interest charges half a crore lower, because of lower rate paid on Government borrowings.

The total deficit of seven and a three quarter crores will be met by temporary loan from the Depreciation Fund, which will stand at eleven and three quarter crores at the end of the year.

The estimate for 1934-35 hopes for an increase from all State lines of two and a half crores, or roughly three per cent in receipts over the current year.

The slight increase of a quarter of a crore in the working expense is counterbalanced by decrease in interest charges and the deficit in commercial lines is reduced to three and one-third crores.

The total deficit, including strategic lines is five and one-third crores, which will as usual be met from further loan from the Depreciation Fund.

It is expected that the balance of the fund at the end of the year will be about eleven and a half crores. Loans from the fund to meet the deficits will stand at twenty-seven and a half crores.

Both during 1933-34 and 1934-35 the cost of renewals and replacement charges to depreciation fund, including the cost of repairs of earth-quake damages and repairs of remodelling of the Hardinge Bridge protection and training works will be substantially less than amounts put into the Fund, the total surplus being twelve and a half crores.

Temporary loans to meet the deficit in two years will, therefore, reduce the balance in the Fund by only about half a crore.

Taking a period of eleven years beginning from 1924-25 and ending in 1934-35 the first six years were period of prosperity and the following five years had been otherwise. Crescendo of deficits began in 1930-31 with the five crores, grew to nine and a quarter crores in 1931-32 and reached its height in 1932-33 with a figure of ten and a quarter crores.

Sir Joseph hopes that that constitutes a peak, for he expects the deficit to be seven and three quarters crores in 1933-34 and about five and a quarter crores in 1934-35.

The Railway Member pointed out that railways will, in spite of five bad years since 1929-30, had still made profit of fifteen crores in eleven years since the railway finances were separated.

They have also contributed during the first seven years 42 crores to the general revenue and put by thirty-nine crores into the Depreciation Fund after meeting the cost of current replacements and renewals which had enabled them to meet their deficits in recent years without outside borrowing.

The works programme for 1934-35 is higher than in recent years. The total sum provided is thirteen and a quarter crores, after providing for reduction of stores balance by three-quarters of a crore.

The programme does not provide for any important new constructions and is mainly for essential open line works and includes 170 lakhs to provide for urgent works in connection with earthquake damages and reconstruction and remodelling of protective and training works of the Hardinge Bridge, and also provides over crores for renewal of 2,500 general service wagons.

Sir Joseph Bhore referred to the misapprehensions which may exist as to the attitude of railways towards competitive forms of transport which have of recent years been making inroads into railway traffic. He said : "Speaking for Indian railways generally, I would combat any impression that they desire to maintain at any cost and by any means a monopolistic position, from which to exploit public, but chiefly concerned with elimination of wasteful competition and utilisation of available resource of the State to the best possible advantage to the public.

The Government of India are now in correspondence with the local Government on the resolutions of the Rail-Road Conference and have every reason to hope that a beginning has been made in attracting serious attention of the various authorities concerned to a problem which has been found so difficult of solution in other parts of the world, and in securing recognition of the view that it can only be successfully attracted through co-operation between various administrative units that under existing system of Government have control over different parts of this complex problem.

Sir Joseph Bhore's speech concluded on a note of hope. He said : "I would like to pay my tribute to all railwaymen for the steadfastness with which they have faced depression of the past few years. Happily we may with some justification hope that clouds are at last beginning to exhibit signs of lifting. Such improvement as our revenues have shown in the current year have been persistent and well maintained. Steady enlargement of our goods traffic is an indication that trade and confidence are beginning to revive. If we have still far to go before we can reach normality, we can at least face the coming year with renewed hope and lighter hearts."

DISCUSSION OF RAILWAY BUDGET

19th. FEBRUARY :—The debate of the Railway Budget commenced to-day. An attack on the Government's railway policy was started by *Dr. Ziauddin Ahmed*, who criticised the capital expenditure and deprecated the principle of borrowing money without interest from the Depreciation Fund, which he described as the "deficit fund." For stimulating goods traffic, he stated, it was necessary to raise the prices of the agricultural produce. He maintained that the working ratio of the Indian railways was much lower than any railway in the whole world, which was due to the low wages of the railway labourers. He suggested the re-introduction of the 1921 Convention that one per cent of the railway revenues should go towards the general revenues, which until last year totalled fourteen and half crores.

Mr. Naba Kumar Singh Dudhoria wanted a reorientation of the railway policy, and suggested that competition with other means of transport like motor, air and steamers should be replaced by co-ordination. He suggested the Railway Board be abolished and a Department of Transport be established instead.

Mr. Amarnath Dutt favoured the reduction of third class fare and asked for ordinary amenities being provided for the travelling public. He complained about the very bad food supplied at the railway stations. He stated that it was useless to spend more money on the Willingdon Bridge as its safety has been endangered.

Mr. Sant Singh pointed out that the retrenchment which affected only the lower grade of employees did not show improvement in the budgetary position. He also alluded to racial discrimination in the services of the Indian railway.

Mr. N. M. Joshi charged the Government with moral and commercial negligence in the matter of third class passenger traffic. The Government policy of favouring the upper class passengers, he said, at the cost of the poor people would never succeed.

Strongly attacking the policy of the Railway Board, *Sir Henry Gidney* said that time had come when Indians themselves should take charge of the railways.

Dwan Bahadur Ramaswamy Mudaliar pointed out the vast divergence in the operating ratio, including the depreciation funds of the different railways. Referring to the fact of borrowing from the Depreciation Fund, he said there was something radically wrong with the rules of the Depreciation Fund which should not only be revised soon but also be given retrospective effect from the last five years. He demanded that the experiment of reduction of third class fares should not be confined only to the North-Western Railways. The Publicity Bureaus at London and New York, he said, were suffering from want of imagination of sufficient funds, as it cannot attract, as in Switzerland, rich tourists.

Mr. Bhupat Singh said that the promise made last year by the Commerce Member to enquire into the grievances of third-class passengers had not been substantiated. The continued fall in revenues was due to the increased fares and callousness to the intolerable discomforts of the third-class passengers who were treated like cattle and it was no wonder that they had boycotted the Railways. He stressed the need for providing fans in third-class compartments and referred to the maltreatment at the Hardwar station. Regarding retrenchment, he said that unlike anywhere else in the world, posts were created here to provide new men.

Messrs Raghbir Singh, Syed Murtaza Saheb and B. Das also spoke in the same strain. *Sir Leslie Hudson* defended the Company-managed railways from the attacks of the previous speakers. *Bhai Parmanand* favoured recruitment in railway services according to merit. But if Muslims or other minorities insisted on communal representation, the Hindus would not allow this to continue unchallenged. *Mr. C. S. Ranga Iyer* supported Sir Henry Gidney that the management of the Railways should come into the hands of the Indians.

Replying to the debate, *Sir Joseph Bhore* made an important announcement that the question of producing locomotives in India was already taken up by the Government and its possibility was being most carefully examined. The Government would not rush for new extension of railways without consulting the local Governments. Concluding, Sir Joseph said that by giving the full value of the money paid by the customers the Railways would be able to compete successfully with other kinds of transport. The House then adjourned till the 21st.

VOTING ON RAILWAY DEMANDS

21st. FEBRUARY :—Demands for grants in respect of the Railways were submitted to vote in the Assembly to-day and discussion on the cut motions under various items given notice of by members followed.

RAILWAY BOARD CRITICISED

Sir Joseph Bhore moved for the first demand under head 'Railway Board' of a sum not exceeding 8 lakhs and 45 thousand.

Dewan Bahadur Ramaswami Mudaliar, on behalf of the Independent Party, initiated attack on the railway administration so far as it concerned the passenger traffic. He asserted that the good old days had definitely gone when people undertaking a railway journey used to think that they were undertaking an adventure, and consciousness of the rights of the travelling public along with sense of discomforts were increasing daily. It was time, he stated, that there should be re-examination and re-orientation of Railway administration and the Government must initiate a forward policy.

"Abolish first class traffic if you want to make the railways a commercial and paying concern"—thus asserted *Mr. N. M. Joshi* while criticising the policy of the Government regarding the passenger traffic. He cited figures to show that Government got on an average Rs. 208 from a first class seat, Rs. 236 from a second class seat and Rs. 241 from a third class seat and still the railways paid more attention to the amenities of the upper class passengers at the cost of the third class passengers. It would be a commercial proposition, he said, to reduce the number of first and second class seats and increase the third class accommodation.

Dewan Bahadur Mudaliar withdrew his cut motion after a sympathetic reply from *Sir Joseph Bhore* that the railways were doing their best to improve the travelling conditions of the passengers as far as possible. Even in the present budget, the Railway Member stated, in spite of deficit, Government had provided 38 lacs to be spent for the purpose. He stated that the Indian Railways provided nineteen and half inches space for every third class passenger as compared to 20 inches by the Railways in the United Kingdom.

Mr. Gayaprasad Singh moved that the demand under head "Railway Board" be reduced by Rs. 105 with a view to raise a debate on the question of the creation of Statutory Railway Board. The mover stated at length how the idea of a statutory authority for the Railways first originated and how it was being proposed that it should be created by a legislation of the British parliament. He read extracts from the report of the Federal Structure Committee that both Messrs. Jinnah and Jayakar opposed the idea most vehemently. He regretted that the little control which the Legislature possessed over the administration of Railways in which Indians had invested 800 crores should be taken away.

Mr. Yamin Khan, *Mr. Naba Kumar Singh* *Dudhoria*, *Diwan Lalchand Navalrai*, *Sardar Harbans Singh Brar* and *Mr. Bhupat Singh* spoke against the proposed Railway Board. *Mr. Bhupat Singh* also deprecated communal representation on the Board. The debate on the motion had not concluded when the House adjourned.

22nd FEBRUARY :—*Raja Bahadur Krishnamachariar* read extracts from the White Paper proposals in which it was contemplated that under the Federal Government Railways should be controlled and administered by statutory authority. The White Paper further provided that such railway authority should be created by a provision of constitutional act which would be an act of Parliament. The speaker pointed out that members of the Central Legislature who sat on the London Committee were faced with this situation, however much they might be opposed to the legislation by Parliament in this behalf.

Mr. K. C. Neogy dwelt on the genesis of the statutory railway authority and stated that the idea was first mooted in 1930 when the Government of India in their despatch on Simon Commission Report suggested that under the coming reforms the administration and control of the Railways should be placed under statutory authority. Giving further history of the statutory railway authority, *Mr. Neogy* said that the matter was never discussed adequately in the Federal Structure Committee and it was smuggled into the Report of the First Round Table Conference that the Federal Structure Committee had recommended the creation of a statutory railway authority. He observed that the Indian Railways were the biggest co-operative body whose ownership belonged to the Indian Tax-payers in the past when the railways were working under a system of guarantee and the Indian tax-payers contributed huge sums to meet the deficits in railway earnings. If the fundamental principle of ownership by tax-payers of the railways be accepted, it had to be admitted that the legislature should have every control over the railways. Continuing, *Mr. Neogy* asserted that it was of supreme importance that this

legislature should have the freest and fullest liberty to legislate on the policy and administration of the railways inasmuch as the future legislature would exercise similar rights of amending such legislation.

Sir Abdur Rahim, Leader of the Opposition, emphatically asserted that the fullest right of legislation with the right of amending for setting up the statutory railway authority should lie with the Central Legislature and not only the control of general policy, but also the control of the administration of railways should be exercised by this legislature. He asked for opportunity for the House to discuss the joint memorandum by the British delegation regarding this matter.

Sir Joseph Bhore informed the House that His Majesty's Government had not yet decided whether legislation regarding the Statutory Railway Board should be by the Indian legislature or by the British Parliament. Since a cut motion always meant censure on the Government for the acts of commission or omission and as the Government took no decision on the matter justifying the censure, he requested the mover to withdraw the motion, which Mr. Gaya Prasad Singh did.

The House accepted the withdrawal of the motion on the understanding that the British Government should be communicated with about the desire of the House that the Constitution Act should include a clause providing the Indian legislature with the right to legislate regarding the constitution of the Statutory Railway Board and railway administration generally.

INDIANISATION OF SERVICES

Sir Hari Singh Gour moved a token cut to discuss the question of the progressive Indianisation of Railway services in all grades. He stated that for the last so many years the question of the Indianisation of services was engaging the attention of Indians and as a result the Islington Commission and Lee Commission had made definite recommendations in the matter. But no satisfactory progress had been made.

Mr. Harbans Singh Brar, Colonel Gidney, Lala Brijkishore, Mr. Goswami Puri, Gopikaraman Roy, Mr. Bhupat Singh, Mr. Amarnath Dutt, Mr. N. M. Joshi and Sir Cowasjee Jehangir all spoke supporting the motion.

Sir Joseph Bhore, replying, said since the recommendations of the Lee Commission had been accepted in 1935, the Government had given definite effect to their recommendations and Indianisation of the services had progressed satisfactorily.

The motion was withdrawn after which the House adjourned.

23rd. FEBRUARY:—*Sir Leslie Hudson* moved a token cut to-day to call attention to the importance of the constitution of rail-road co-ordination and organisation of communication boards. He emphasised that the road and the railways were national assets and in the national interest it was necessary that the railways must be maintained at the first class working order. It could not be in the economic good of the country to allow the Railways to deteriorate by allowing duplicate transport to complete under uneconomic condition. The development of the railways and road-traffic rested on different hands neither of whom had a broad outlook to envisage the direction in which both could be developed.

Mr. B. Das lodged a trenchant criticism of railway mismanagement and extravagance. He complained that the railways repudiated their debt of six crores to general finance which was decided upon at the railway separation convention.

Replying to the debate *Sir Joseph Bhore* said that the holding of another rail-road conference before the results of the last conference materialised would be premature. He hoped that the outcome of the last conference would be greater measure of co-operation in future between the Central Government, Railways and the provincial administration, which was essential in the best interest of public communication in India. He admitted the railways must provide more attractive service than their rivals in order to capture traffic. He suggested that motor transport, instead of entering into an uneconomic competition with the railways, should make it more useful by serving as feeder transport.

The cut motion was then withdrawn.

Sardar Harbansingh Brar moved a substantial cut motion refusing grant to the Railway Board. He contended that the Railway Board performed no useful purpose to justify their demand for any grant. Gross maladministration and extravagance prevailed in the Railways and the Railway Board did not have any watch on them. Huge capital expenditure were undertaken by the railways only to profit contractors and engineers which in the end would prove useless or dangerous to the pub-

lic. He cited the example of the Hardinge Bridge which cost three and a half crores of rupees. He also narrated the grievances and inconveniences of the travelling public. The motion was defeated.

Next, Mr. *Maswood Ahmed* moved a token cut to discuss the question of inadequate representation of the Muslims in the railway services.

Mr. *Sant Singh* stated that the Sikhs had not been given proper representation in railway services. Mr. Ahmed's cut motion was negatived. The House then adjourned.

24th. FEBRUARY :—Mr. *Maswood Ahmed* moved a token cut to-day to discuss the question of the unreasonable rates of freights. He observed, in prescribing the rates, the interests of the public as well as the interests of the carrier must be looked into. But where both cannot be reconciled, the interest of the public must prevail. He pleaded for reduction of freights on food grains.

Sir Joseph Bhore, replying, stated that the freight on rice had been reduced and the railways made reduction in rates as far as possible. Further concession, the Commerce Member said, would mean loss to the railway earnings.

Mr. *B. Das* declared that the main policy of Government underlying the railway administration is to help foreign trade and to give facilities to the military. It was time that the Government developed a scientific attitude towards the connection between the railways and the indigenous industries and agriculture.

Mr. *Jagannath Aggarwal* observed that the Railways followed no consistent policy with regard to rates. Whenever any industry or agricultural produce cried for relief, they considered it piecemeal and found only a temporary measure.

Mr. *S. C. Mitra* pointed out that due to unjust manipulation of rates, business in mustard oil and coal in Bengal were having a shaky existence.

Mr. *A. H. Ghuznavi* maintained that owing to high freight on coal and surcharge on it the trade was tottering.

Mr. *K. C. Neogi* asserted that the railway rates policy has been determined more by consideration of promoting the foreign trade, both import and export, than by the consideration of helping the promotion of internal trade. He asked if the Government had changed that policy. He maintained that the principle of what the traffic can bear should be applied in fixing the rates.

Sir Cowasji Jehangir held if particular industries were allowed concession of rate the ultimate loss by the railways will have to be borne by the taxpayers.

After Sir Joseph Bhore's reply the motion was withdrawn.

After several other cut motions by Dr. *Ziauddin Ahmed*, Mr. *S. C. Mitra* and Mr. *B. Das* raising discussions on the system of appeal by the railway employees against dismissal, condition of the State Railways Press employees and making Cuttack a first class railway station were disposed of, guillotine was applied and the railway demands for grant under various heads were put to vote and passed.

The House then adjourned till the 26th.

SALT IMPORT DUTY BILL

26th. FEBRUARY :—The Assembly met to-day with a heavy agenda of official business. *Sir George Schuster* introduced the Salt Additional Import Duty Extending Bill, extending the life of the Act until April 30, 1935, with the modification that in sub-section 4 of section 5 of the Act, for the words Rs. 54-12 in both places where they occur, the words Rs. 50 should be substituted.

TRADES DISPUTES ACT EXTEND. BILL

Sir Frank Noyce introduced the Trades Disputes Act Extending Bill. He said that the Act would expire on May 7 next. Opinions on the Bill had been collected on the question of converting it into a permanent measure. The majority of local Governments and bulk of non-official opinion favoured this course and the Bill would seek to make the Act permanent.

Sir Frank Noyce added that this motion should not be taken to mean that the Government had rejected the proposals for changes in the law, but owing to heavy business the Government were unable to ask the House to consider further amendments during the present session.

TEXTILE PROTECTION ACT

Sir Joseph Bhore introduced a Bill seeking to extend 'until April 30, 1934, the existing Textile Protection Act with a view to giving the Indian Legislature time

to pass its verdict on the Bill introduced on February 5 providing for the grant of a substantive protection to the industry. He proposed that the Bill should be immediately considered and passed. Sir Joseph Bhore explained that before introducing the Bill he had consulted leaders of all parties and received their concurrence.

The Bill was passed without any discussion.

THE RESERVE BANK BILL

Sir George Schuster then moved that the amendments made by the Council of State in the Bill constituting the Reserve Bank be taken into consideration. He said that the amendments were purely formal and in most cases were corrections of verbal errors.

The House approved all the amendments and the Bill, as amended by the Council, was passed without discussion.

WHEAT IMPORT DUTY ACT

Sir Joseph Bhore moved that the Bill amending the operation of the Wheat (Import Duty) Act be taken into consideration. He said that if the duty were abolished a further undesirable decline in the price of Indian wheat would occur and that, since the import duty in the past had not resulted in an unreasonable rise in prices of Indian produce, and the harvest this year was very good, consumers' interests were quite safe.

Raja Bahadur Krishnamachariar asked why Sir Joseph Bhore had not given figures beforehand and inserted them in the statement of objects and reasons. The Government's attitude seemed to be that the Assembly were merely there to pass official decrees. An article had appeared in the press to-day saying that a new Assembly would be elected. He asked the Commerce Member not to place members in that position and help them with figures beforehand so that members be able to study and criticise. He spoke particularly of the case of rice which the Government were ignoring. He asked the reason of this indifference to Madras, which in the past had been milched to keep the Central Government going. He warned that he would oppose the Bill until rice was given protection.

Mr. G. Morgan joined issues with the previous speaker, asking for supply of statistics beforehand. For the first time since the additional duty was brought in he had supported it and hoped that the Commerce Member would consider the case of flour mills, particularly those working at ports facing hard competition.

Mr. Maswood Ahmed supported the case for rice and asked why wheat was sent at cheap freights to Bihar and Bengal and why should a similar concession be not shown to the carriage of rice northward. He thought Punjab had a strong influence in the Cabinet than Bengal (laughter).

Dewan Bahadur Ramaswami Mudaliar supported Mr. Morgan's argument that Government should plan out the economic production of wheat and not launch irrigation schemes like Sakkur, which were only causing overproduction. He complained that Government were not giving proper attention to ricegrowers, who constituted the majority of cultivators and taxpayers compared to wheat interests. Siamese rice was playing havoc in Madras. He pleaded that as India could be self-contained with Indian and Burma rice, foreign rice should not be allowed to enter the country.

Dr. Ziauddin Ahmed and Messrs. Jadav, Yamin Khan, S. C. Mitra and Azahar Ali supported the motion.

Mr. G. S. Baipai denied that Government showed any favouritism in respect of any particular agricultural produce. Referring to Mr. B. Das's remark that in spite of the fact that there is a Bengalee in the Viceroy's Executive Council, Bengal's interest as a rice-producing province was not safeguarded, Mr. S. C. Mitra remarked that it was far better that Bengalees were given the portfolio of Commerce or some other Department, for Law Members who had so far been recruited from Bengal had to come at a huge sacrifice of lucrative practice at the Bar.

After Sir Joseph Bhore had replied the Bill was passed.

EXTENSION OF STEEL PROTECTION ACT

Sir Joseph Bhore moved for consideration of the Bill further extending the period of the provisions made by certain Acts for the purpose of fostering and developing the steel industry and wire nail-industry in British India which expires on March 31 next. The Commerce Member stated that the Tariff Board was enquiring into the

question of continuing the protection of this industry and pending their report which is expected in May next it is necessary to extend the existing protection.

Raja Krishnamachari contended that as the Tata Iron and Steel Company were in a flourishing condition, no further protection was necessary. He pleaded for some agricultural relief at the cost of industrial protection.

Mr. S. C. Mitra and Mr. B. Das supported the Bill in its second and third regardings.

MEDICAL COUNCIL ACT AMENDMENT

Mr. Bajpai next moved that the Indian Medical Council Act be amended so as to include the Rangoon University for purposes at the operation of the Medical Council Act enabling persons enrolled in the provincial register of Burma and possessing medical qualifications granted by the University, to elect one member from amongst the members of the Board of Studies in medicine to the Indian Medical Council. The Bill was passed and the House adjourned.

INDIAN NAVY DISCIPLINE BILL

27th FEBRUARY :—*Mr. G. Tottenham* moved to-day that the Indian Navy Discipline Bill be referred to a Select Committee. The Army Secretary gave the history of the origin of the Bill and stated how a similar bill was rejected by the House in 1928 by the narrow margin of a single vote. He emphasised the need of converting the Royal Indian Navy, which the Bill sought to do, to give the Indian Marine the status and dignity which it eminently deserved. Continuing, the Army Secretary pointed out that Indianisation of the Navy could successfully be given effect to if the Bill were passed by the House. He also dealt with the present constitutional position of Indian Marine which could be utilised for Imperial purposes even without consulting the India Government and explained that the contemplated Indian Navy would be an Indian force under the control of the Government of India.

Sir Abdur Rahim, in the course of a trenchant criticism, informed the Army Secretary that mere change of name from the Royal Indian Marine to Indian Navy would not satisfy anybody who knew what the future constitution was going to be like, whether the Indian Navy like the Indian Army as suggested in the White Paper would be outside the control of the Federal Government. When the personnel of the Indian Navy and the rate of Indianisation had not yet been announced he could not lend any support to the measure.

Mr. B. Das moved an amendment by which he sought the circulation of the Bill until July 31 next.

Sir Cowasji Jehangir observed that the Indian Legislatures was fully justified in rejecting the Bill in 1928, but under the changed circumstances it would now be advisable to welcome the measure as the Indian Army would not be used for purposes other than the defence of India without the approval of the Central Legislature.

Mr. Tottenham replying removed all suspicions and apprehensions expressed by non-official members as to the genuineness of the object of the Government in initiating the Bill at present.

The circulation motion of Mr. B. Das was accepted by the House. Thereafter it was adjourned till 5 p. m., when the General Budget for 1934-35 was presented by *Sir George Schuster*.

Financial Statement for 1934-35

The actual result of 1932-33 is that after providing 6.84 lakhs for reduction of debt there was a surplus of 1.55 lakhs, so that without taking into account reduction of debt the excess of receipts over outgoings was 8.39 lakhs.

The revised estimates for 1933-34 show that, leaving out of account the reduction of debt provision, there will be a surplus of 4.29 lakhs. In the budget estimates a surplus of 25 lakhs was expected.

The deterioration is accounted by a drop of 5.04 lakhs on revenue, partly balanced by a saving of 2.20 lakhs on expenditure.

The saving is mainly for receipt of 1.78 lakhs on account of payments from Britain towards the defence following the Capitation Tribunal award, and non-payment of 88 lakhs interest on War debt.

While gross figures of the Government's indebtedness have increased (919 crores in 1924 to 1,213 on March 31, 1934—an increase of 294 crores)—the value of the productive assets held against the debt have increased by more than the same amount (by 314 crores, namely, from 664 to 978 crores).

Turning to prospects for 1934-35, the Finance Member said: "We expect to close the current year, after providing 3 crores for Debt Redemption, with a surplus of 1.29 lakhs, which we propose to transfer to a special fund for Earthquake relief measures.

Imposition of excise duty of 21 annas per hundred-weight on factory-made sugar thus leaving an effective margin of protection of Rs. 7-12. This will yield Rs. 147 lakhs whereof 7 lakhs would be distributed among producing provinces for organising co-operative selling societies among cane-growers or for other measures designed to secure the minimum price for cultivators, for which purpose he would introduce a Bill enabling the provincial Governments to apply schemes for enforcing the minimum price for cane used by factories.

As regards tobacco:—On raw tobacco Rs. 2-6 per pound standard and Re. 1-14 per pound preferential and on cigarettes Rs. 5-15 per thousand plus 25 per cent ad-valorem. The local manufacture would still enjoy protective benefit and the tax would yield thirty lakhs.

As regards silver: The duty on silvers be reduced from seven and a half annas to five annas per ounce, yielding an extra four lakhs.

The initial weight of inland letters is lowered from two and a half tolas to half a tola, coupled with a reduction in charge from one and one-fourth anna to one anna.

For heavier letters charges will continue to be one and one-fourth anna for letters not exceeding two and a half tolas, with additional one and one-fourth anna for successive weights of two and a half tola and fractions.

It is proposed to remit the extra pie per five-piece embossed envelope.

Initial charge on inland book-packets not exceeding 5 tolas in weight to be raised from 6 to 9 pies.

It is proposed to introduce a minimum charge for a telegram of 8 words of 9 annas, while that for an Express telegram of the same length will be Re. 1-2. For each additional word, the additional charge will be one and two annas respectively.

FINANCE MEMBER'S BUDGET SPEECH

Proposals giving final touches to the financial structure built up during the past five years were announced by Sir George Schuster in presenting his last budget to the Assembly to-day.¹ He claimed that in our proposals we are providing fairly for all needs that can be foreseen, that we seem to have touched the bottom and that if the tendencies which have recently been apparent continue there is good hope that there will be a margin next year large enough not merely for the restoration of cuts in pay but for the relaxation of other burdens. But neither India nor any other country is yet out of the wood and a cautious outlook is still necessary.

Dealing with 1933-34, Sir George Schuster said that the general decline in imports had been accompanied by a substantial increase in exports giving a favourable balance of trade of '26 crores in the first nine months. Reviewing the budgetary position for three years since the worst of crises began, the net result was that India would have met all her outgoings from revenue and provided a surplus balance available for debt reduction to nearly eight crores. There was hardly a country that could compare with this position. The Finance Member declared that the debt redemption provision which had arisen in the current year to nearly seven crores would now be reduced to three crores with effect from the current year with the result that after crediting Rs. 173 lakhs as a result of the Capitation Tribunal's award the current year would close with a surplus of 129 lakhs which amount would be transferred to the special earthquake fund.

Dealing with 1935, he said that the net expenditure would be four crores less than in 1932-33 and only two lakhs more, in spite of the substantial unavoidable extra charges, than the revised estimates for the current year. He emphasised that the net expenditure has been reduced from about ninety-three and one-fourth crores in 1930-31 to seventy-six and a half crores in 1934-35. This was a notable achievement. He paid a special tribute to the Commander-in-Chief and the Army personnel as the military budget had come down from a 'contract budget' of about 55 crores to under 44 and a half crores next year.

TAXATION PLANS

The Finance Member next disclosed the taxation plans. The fall in the import of sugar had been the main cause of the budgetary tightness this year. He announced the imposition of excise duty of 21 annas per hundredweight on factory-

made sugar, thus leaving an effective margin of protection of Rs. 7-12. This will yield 147 lakhs whereof 7 lakhs would be distributed among the producing provinces for organizing cooperative selling societies among the cane-growers or for other measures designed to secure the minimum price to cultivators for which purpose he would introduce a bill enabling the provincial Governments to apply schemes for enforcing the minimum price for cane used by the factories. As regards tobacco, the duties proposed are as follows: On raw tobacco, Rs. 2-6 per pound standard and Rs. 1-14 per pound preferential and on cigarettes, Rs. 5-15 per thousand plus 25 per cent ad valorem. Local manufacture would still enjoy the protective benefit and the tax would yield 30 lakhs. As regards silver both as a measure of cooperation with the United States and other silver using countries and to improve revenues the duty on silver will be reduced from seven and half annas to five annas per ounce yielding an extra four lakhs. As regards other items the Government would institute a careful enquiry into the effects of the surcharges during the coming year. The Finance Member also announced the abolition of export duty on raw hides to stimulate exports involving a loss of five lakhs.

POSTAL AND TELEGRAPH RATES

Postal and Telegraph rates are slightly changed to stimulate traffic. Thus the postage of one anna for a half tola letter is introduced and nine annas would be charged for a telegram of eight words. The proposal would involve some loss before traffic responded, but this would be covered by accounts adjustment and would not affect the budget.

THE CASE OF BENGAL

Sir George Schuster next dealt with the case of Bengal which was piling up deficits at the rate of two crores per annum. The Government accepted provisionally the White Paper proposal and have decided to impose an excise duty on matches at the rate of Rs. 2 annas 4 per gross of boxes and to hand over half of the jute export duty to the jute producing provinces of Bengal, Behar and Orissa and Assam on the following basis: Bengal, 167 lakhs; Bihar and Orissa, 12 and a half lakhs; Assam 9 lakhs; Burma 13 lakhs, to compensate for the match consumption tax already in existence. Thus, out of a total revenue under this head of 210 lakhs, the Central Government would be left with three lakhs. A great majority of the Indian States have agreed to levy a corresponding duty. The entire duty will be pooled and each State entering the agreement would get a share. On the estimated consumption the States' share would be 70 lakhs yearly and this is exclusive of 710 lakhs provided for British India. The Finance Member emphasised that these proposals must be regarded as provisional as they could do nothing which would prejudice the position under the new constitution or anticipate the decisions of Parliament.

BIHAR MEASURES

The Finance Member explained the Bihar earthquake relief measures which include a gift of half a crore to the Behar Government for buildings. An additional half crore was being advanced as a loan through the Provincial loans Fund and the gift to the local bodies of the total sum required for the reconstruction of roads, bridges, schools, hospitals and dispensaries is estimated at about one crore. As for the poorest classes help must come from private charity and for others a loan would be advanced to the local Government on non-onerous terms to be settled according to the needs, while the case of agricultural losses due to the damage to land and crops would primarily be met from the provincial famine relief fund, the central Government would give further support, if required from their special fund.

A SURPLUS BUDGET

The Finance Member has budgetted for a surplus of 79 lakhs for 1934-35 as a result of fresh taxation to the extent of 172 lakhs. As regards the ways and means position all capital expenditure could be met without raising fresh loans. The forecast allows for maintaining treasury bill outstandings at about 30 crores. The position might be modified if sterling remittances exceed the estimates or if favourable opportunities for loan conversions presented themselves.

A BRILLIANT SURVEY

The Finance Member gave a brilliant survey of the economic position of the country. The results of the Government's industrial policy had been that the past

years of unexampled depression had actually been a period of industrial expansion in Indian cotton mills and iron and steel were working during 1933 at 41 and 75 per cent respectively above 1928 capacity. No other country, not even Japan, could compare with this. There had been a great development elsewhere in sugar, cement, electrical apparatus, paints, etc. But admittedly the main interest of India was the agricultural rather than the industrial problem which had hitherto been faced by large remissions of taxes and rent and by the elasticity of the Indian money-lender system with the result that the general condition of the agriculturists was that they had enough to eat and been left with a margin of cash for necessary purchases at something like the normal level of consumption. The figures of cotton piecegoods, salt and kerosene proved this, but there was an undoubted danger that the continuance of low prices might leave an aftermath of the serious problem of indebtedness. These problems the Government have been studying with the provincial Governments and proposed to hold a special conference to review the situation in the first week of April. The Government were reopening the facilities for capital expenditure to the railways and provincial Governments and were financing a generous reconstruction programme in Bihar. The main opportunities lay with the provincial Governments and this matter would be discussed at the forthcoming conference.

Dealing with the possibilities of improving the external demand for India's produce, the Finance Member discussed three main lines : Firstly, with the empire in which case those members who supported the Ottawa agreement had done lasting good to their country and especially to agricultural classes. The Ottawa Agreement was capable of a much wider extension. The second line of action was a bilateral agreement such as that recently made with Japan. Thirdly, they should pay attention to marketing methods and the Government were taking this up and as an initial step were getting out a first class marketing expert to advise first as to certain articles and later as to the general organization.

Concluding his survey the Finance Member said : 'India's financial position in its strength challenges comparison with that of any country in the world and in these times of increasing economic nationalism there is no country that has brighter prospects or greater potentialities for economic advance than India with her own vast market and with her place in the British Commonwealth of Nations'.

GENERAL DISCUSSION OF BUDGET

2nd. MARCH :—General discussion on the Budget was initiated to-day by Mr. Ranga Iyer, who characterised it as most lamentable. The excise duty not on profits but on production and foodstuff was, he said, the most discredited form of taxation. Sir George Schuster's parting kick would have a most terrible effect on the sugar industry, which would be widely resented. Mr. Ranga Iyer discounted the statement about over-production of sugar. Even if it were true, the speaker asked, why did not the Government find wider markets for Indian sugar in the Empire and buy in exchange machinery for sugar factories ? The speaker found behind this policy of imposition of excise duty on matches and sugar a conspiracy to revive the excise duty on cotton manufactures and warned Mr. H. P. Mody.

Mr. Nakshumar Singh Dudhoria could not view the Budget with satisfaction. He held that even 41 and a half crores provided for the army expenditure seemed to be quite a huge figure as times are quite normal now.

Mr. Ramkrishna Reddi subjected the Budget proposals to a meticulous criticism. The abolition of the export duty on hides, he feared, would cripple the tanning industry which is growing in Madras.

Mr. Sitarama Raju criticised the Government's taxation policy at length and suggested that the example of Japan should be followed so that the country might properly be industrialised in a short time.

Maulavi Abdul Matin Chowdhury, Deputy President of the Assembly, pleaded the case of Assam which had only a revenue of two crores and was a deficit province. He complained that the Government of India took away 125 lakhs of excise duty on kerosene and petrol from Assam and deprived the poor province of its revenue.

Mr. Govind Reddi urged that the export duty on rice should be abolished. He observed that instead of depending on subsidy from the Central Government, Bengal should find money to balance her own budget.

Mr. S. C. Mitra reviewed the financial policy of the Government during the regime of Sir George Schuster and pointed out that while all additional taxes that were imposed by him remained in tact the provision for debt redemption had been considerably reduced. With regard to the grievance of other provinces that the Bengal Government got relief from Central Government he stated that Bengal's trouble had begun with the most unjust and iniquitous Meston Award. He cited figures to show how much Bengal contributed to the Central Revenue previous to the Meston Award. He was not, however, happy over the amount that Bengal would get from the jute duty, as most of it would be spent on police and military. He next dwelt at length on the Postal budget and expressed his gratification that the loss in the Department had been greatly reduced. Provision for the depreciation fund had been brought down to Rs 8,72,000 as against Rs. 4,403,000 in 1933-34. Continuing, Mr. Satyen Mitra pointed out that according to the Government reply to a question put by him the Postal Department is to get nearly Rs. 15,50,000 as interest on the accumulation of the depreciation fund, and if this amount is added to the income of the Department, then it should not be a losing department. He protested against the excess of Rs. 90,000 that has been charged as interest on the capital outlay. He also expressed dissatisfaction at the method of allocation of income on the sale of postage stamps between posts and telegraphs branches. He suggested that the actual value of the proceeds from telegrams should be ascertained in allocating income between the two branches. The speaker also contended that the amount of Rs. 56,59,000 to the postal side on account of the management of the post office savings bank, Government security and cash certificates, was also not a fair sum. With regard to the reduction of postage on letters weighing half a tola, Mr. Mitra held that it will not prove a boon to poor people, unless the weight was raised to one tola. He suggested that postage on foreign book-posts, packets etc. should be raised from 9 pies to 2 annas, while registration charges on foreign articles should be enhanced from 3 to 5 annas. Proceeding, Mr. Mitra also criticised the retrenchment policy of the department. While the subordinate staff in the post office and the R. M. S. were being ruthlessly retrenched the telegraph engineering branch has been left untouched probably because it was the preserve of Europeans and Anglo-Indians. He refused to believe that the postal department was a losing concern and that postage rates could not be reduced without retrenching the subordinate staff. He maintained that if the recommendations of the Telegraph Establishment Enquiry Committee were given effect to the old rates of postage could easily be restored.

Mr. A. Das also ventilated the grievances of the subordinate staff of the post. The House thereafter adjourned.

3rd. MARCH :—Resuming the Budget discussion to-day, Sir Cowasji Jehangir congratulated Sir George Schuster on producing an original budget, but added that it was really a Bengal budget. (Laughter) He was not envious of Bengal, but wished the House to remember that Bengal and Bombay stood on the same footing in their grievance against the Meston Award. A public meeting called by the Bombay Sheriff had recorded its protest against Bombay being left out and wanting immediate assistance. He voiced that protest in the House and reminded it that the incidence of taxation in Bombay was the highest in India. The Bombay Government and people had done their duty and taxed themselves. (Sir George Schuster : Hear, hear!). If Bengal had the terrorist movement Bombay, too, had her Civil Disobedience. Was it a crime for Bombay not to have terrorism? (Sir George Schuster : No).

The speaker recalled that at the Round Table Conference a federal finance scheme was laid down to the effect that a match excise duty would be taxed for giving the provinces benefit in respect of income-tax. Why had Sir George Schuster anticipated that scheme and had he not given relief to Bombay along with Bengal? He added, "We are yet at a distance from the Federal Government, but we find that the source of revenue kept aside for the assistance of the Federal Government of the future is being immediately tapped. Finally, the speaker referred to what he described as a divine inspiration which had made Sir George Schuster balance the budget. He hoped that this was based on sound foundation, but asked if it was so. Why did not Sir George Schuster draw upon the debt redemption provision before and save the country from an additional burden of taxation?

Sir Leslie Hudson, leader of the European group, described the financial picture presented by Sir George Schuster as not unsatisfactory, but remarked it would have really been a deficit budget but for the raid on the debt redemption fund.

He asked the Government of India not to restore the cut in salaries to services without simultaneously affording relief to the taxpayer. He approved of the Government of India's decision to take advantage of the cheap money and embark on capital works and hoped that the Provincial Governments would with caution do likewise. While Madras did not like the abolition of the export duty on hide, Karachi, Calcutta and Rangoon welcomed it. He described as generous the Government of India's proposals for financial help to Bihar. While Bengal might feel satisfied over half of the jute tax being given her, the rest of India would have the grim satisfaction that every time they struck a match it was to help Bengal.

Sir Abdur Rahim, leader of the Opposition, congratulated Sir George Schuster on the statesmanship and courage shown in his budget proposals. At best he had produced another emergency budget and there was no relief to the tax-payer. Perhaps it was the fault of the system of Government in India which had to take orders from London. The financial policy of the Government of India could not, therefore, be sound. The need of the hour was to increase the purchasing power of the people by industrialisation, which was not possible unless the Government of India were removed from the vicious circle of having always to frame a budget from the expenditure side. It was true that military expenditure had been reduced in recent years from fifty-five to forty-six crores, but what had the Government of India done to press India's case for justice regarding capitation charges? An amount of 170 lakhs did not meet the ends of justice and India was entitled to know from Sir George Schuster what steps had been taken by the Government of India. Referring to Bengal, Sir Abdur Rahim said that her financial difficulties were due not to the terrorists, but to the inequitious Meston Settlement against which Governors from Lord Zetland had protested. Bengal joined Bombay and other provinces in seeing a more equitable adjustment. In his opinion Bengal, which had the monopoly of jute production, deserved the whole of the jute tax. Concluding, he suggested that the Government of India, while presenting the Central Budget, should give a general picture of the financial position of each province so that the House might understand the situation better and avoid inter-provincial jealousy.

Sir George Schuster, replying to two days' debate, thanked those members who had rebutted the unfair criticism against the generous contribution by the Government of India towards Bihar relief. The attitude of those who command public attention in the Press was not such as would encourage generous action on the part of the Government or others. (Mr. G. P. Singh—We are very grateful).

Sir George Schuster contended that the sugar proposal would still leave a margin of profit after fixing a fair price for cultivators and consumers. Protection was still over 200 per cent. ad valorem and India could not export sugar on the competitive basis, but if any export occurred a rebate of duty would be granted. As regards Bengal the position had been fully examined. The case of no other province was comparable to that of Bengal. They could not under the present conditions restore equilibrium and the Government of India as their bankers had no other alternative but to give them extra income leaving them to fill the remainder of the gap. He did not want the province to entertain the hope that there were other schemes up their sleeves for help to them. Sir George Schuster next dealt with the criticism regarding the debt redemption fund and said that the practical answer was provided by the fact that compared to the date previous to his budget the Indian sterling securities in London had appreciated by two-half points showing that the City of London interpreted the budget proposals favourably. In the matter of sinking fund India's practice had been sounder than that of any country in the world. As regards the charge why this fund was not used before, the Finance Member's answer was that previously revenue sources were uncertain and the sinking fund provision was the margin of safety as it had proved in the current year. In any case the proposal in that respect would have to come before the House for its approval. Sir George Schuster said that on war loans His Majesty's Government had reduced interest from 5 to 3 and a half per cent.

The House then adjourned till the 6th.

VOTING ON BUDGET DEMANDS—ARMY DEMAND

6th. MARCH:—Interpellations being over in the Assembly discussion on motions for demands for grants under various heads followed. *Sir Abdur Rahim*, moving a token cut in the demand under head 'Army Department', observed that military expenditure in this country was a vital matter, which was responsible for the

heavy taxation under which people of India were groaning. The history of military expenditure in this country, continued the speaker, would show that it is liable to go up from time to time when the finances are easy and it goes down when the Finance Department is in difficulty. The Military Department in its internal organisation being uncontrolled and unregulated by the civil authority, it is apt to indulge in expenditure which the country could not bear. Continuing, Sir Abdur Rahim said it was extremely sensible and specially necessary that the legislature and the civil side of the Government, specially the Finance Department, should never relax their vigilance over the expenditure of the Army Department. Referring to the Capitation Tribunal Award, the speaker complained that the contribution of two crores of rupees from His Majesty's Government was far less than what was justly due to India as even from the meagre report supplied, he was convinced that India was entitled to more than two crores, as the maintenance of Indian troops, including the British troops, was not merely for the defence of India, but for Imperial purposes as had been admitted in the report of the Simon Commission. In the name of justice and fair play, Sir Abdur Rahim demanded that the British Exchequer should pay for the maintenance of troops which served only the imperial cause. He also referred to the slow pace of Indianisation of the army.

Sir Henry Gidney urged upon the Army Secretary to seriously consider the reduction of military expenditure. He complained that the Anglo-Indians were given no place while the Indianisation of the army was carried on.

Sir George Schuster, replying to the debate, stated that the reduction in army expenditure had surpassed the expectations and the recommendations of the Inchcape Committee. He also informed the House that the cost of the Frontier operation was being gradually brought down.

Sir Abdur Rahim's cut motion was then defeated by 54 to 43 votes.

EXECUTIVE COUNCIL DEMAND

Mr. B. Das then on behalf of the Democratic Party moved for reduction of demand under the head "Executive Council" to raise a discussion on the Federal Finance system regarding the allocation of the sources of revenue between the provinces and the centre. Mr. Das gave the history of the various committees and sub-committees which had examined the complex problem of the Federal finance. Referring to the Peel Committee's recommendations he charged the British Indian delegates for being party to the pact with the States at the dictation of Sir Akbar Hydari that fifty per cent of personal income tax of the people in British India should be transferred to the Federal Government for redemption of pre-federation debts.

Mr. K. C. Neogy found fault with the Montagu-Chelmsford reforms which made water-tight allocation of sources of revenues to the Provinces and the centre, as a result of which many Provinces were facing deficits. Nowhere in the federal constitution this financial system prevailed and it was pleasing that the White Paper made definite improvements on the present arrangement in recommending proper financial adjustment.

After *Sir George Schuster's* reply the motion was withdrawn and the House adjourned.

7th MARCH:—*Sir Hari Singh Gour* moved a token cut under "Executive Council" and raised the question of immediate organisation of All-India Services. He said that the Lee Commission admitted the constitutional anomaly of the Services working on the Transferred field being responsible to an outside authority. Indian delegates in London had made it abundantly clear that they did not see eye to eye with the White Paper proposals. All the delegates, including European representatives, were unanimous that for provincial autonomy it was necessary to provincialise the Services.

The speaker drew attention to a provision in the White Paper defining the existing accruing rights, and said that if the enquiry into the Service question were delayed for four years until after the inauguration of the new Constitution, the country would be asked to bear the burden of the existing accruing rights of 400 to 600 extra officers. The Secretary of State would order each province to quarter a certain number of officers and the Minister would always be a criminal in the dock in dealing with the Service of the officials and answering the charges before the Governor. Further, in view of the new conditions of service under the new Constiti-

tution, it was better that the Services were recognised immediately to shoulder the new conditions. At present the Indian Legislature and local legislatures could make laws to regulate the Public Services, but the White Paper took away the right hereafter.

Mr. Bhupat Singh said constitutional advance was not worth having if India did not have the control of services. Mr. Lloyd George had defined the services as the "steel frame"; they are white ants which would eat up the foundation of proposed constitution, said Mr. Singh.

Sir Henry Gidney agreed that Sir Hari Singh Gour voiced the demand of India. The speaker had put in a dissenting minute to the Indian delegates' memorandum, because he believed there should be a transitional stage when the Government of India would recur to I. C. S., I. P. S., I. M. S., with a right of appeal to the Secretary of State. There were troubles in India which still required the presence of British officials. However, he agreed that the White Paper proposals in this respect aimed at taking away with the left hand what they had given with the right.

Sir Harisingh Gour preferred to censure the Government and demanded division, whereupon a great commotion prevailed in the House. When the Division bell was ringing the President wanted the House to realise the significance of division on the issue and said that if Sir Harisingh Gour's motion was carried by a majority of votes, it would mean censuring the Government for not supporting the proposal of the reorganisation of the Public Services under the federal constitution, a question which was now under the discussion of the Parliamentary Joint Committee. If, on the other hand, the motion was defeated, it would mean that the House rejects the proposals of the reorganisation of the Public Services by a majority.

Sir Harisingh's motion was eventually defeated as a result of the division by 57 to 37 votes.

Raja Krishnamachariar moved a cut motion to raise a debate on the necessity of expediting the constitutional reforms without which he asserted dissatisfaction and discontent would grow stronger. Two preliminary conditions to the early establishment of central responsibility, namely the establishment of Reserve Bank and the acceptance of safeguards in the new constitution had been accepted and therefore any further delay was unjustifiable. He warned the Government that Civil Disobedience Movement was being gradually replaced by a more insidious movement, namely communism. He also wanted an unambiguous declaration from the Government as to whether the present Assembly would be dissolved or not.

Sir B. L. Mitter, replying, said that the India Government and the Secretary of State were doing all that was possible to expedite the reforms. As regards elections, Sir Brojen said that all depended on the time and scale of the new reforms. On his assurance that the Secretary of State would be informed about the unanimity of this House about the need of the speedy inauguration of reforms, Raja Krishnamachari withdrew his motion.

PLANNED ECONOMY FOR INDIA

8th. MARCH :—There being no interpellation the House proceeded with the debate on planned economy which was initiated by the European group through a cut motion to the demand under the head 'Executive Council' to draw attention to the necessity of meeting the need for economic planning by means of (a) re-distribution of the Government portfolios, (b) consideration and consolidation of tariff, (c) formation of the economic advisory council and (d) revision of trade agreements. Keen interest was evinced in the lobbies with regard to the discussion on this wide and important subject.

Mr. F. E. James, speaking on behalf of the European group on the cut motion, asserted that to meet the economic necessities of India in the present time and in near future there was special necessity for certain administrative readjustments in the Government of India. He recognised that the methods which were being adopted by other countries for economic recovery might not suit India but recovery would not come by itself unless the machinery of Government adapted itself to the needs of the modern time when all countries were trying more and more to bring about political and economic nationalisation. Referring to the need for adjustments in Government portfolios, he said that the present administrative machinery was archaic and would prove wholly unsuited to modern conditions when greater co-ordination of industrial and economic activities specially under provincial autonomy would be necessary. To achieve this end, the speaker suggested there should

be one member in charge of the Industry and Commerce Department instead of two different Members as at present. He also suggested a separate portfolio for communications and one member in charge of labour and agriculture.

As regards tariffs Mr. James suggested that the Tariff Board should be made a permanent body and its personnel which should be strengthened ought to include at least one person having practical industrial and commercial experience. Its composition, he emphasised, must be flexible and less leisurely than at present. While protecting the established industries, it must not encourage incompetence and should keep watch on the duties it suggests. Its other functions should be the instituting of enquiries on the unprotected industries. As regards the Economic Advisory Council, Mr. James considered the present sub-committee of the Executive Council as the Executive Council itself minus two or three members. He wanted a permanent body of not more than fifteen members who would represent trade, commerce, agriculture etc., and who, in fact, would be the real thinking machine on all economic problems. Mr. James advocated the great necessity of a complete overhauling of India's trade agreements some of which date as far back as 1815. Concluding, the speaker appealed to the Government to give speedy effect to these general and tentative suggestions and asked the Indian members not to suspect any sectarian or communal considerations in these suggestions which were made in the interest of the great country they all lived in.

THE CUSTOMS DEMAND

9th. MARCH :—Before the cut motions were taken up seriatim, the President drew the attention of the House to the scope and nature of the cut motions tabled, and referring to the cut motion of Mr. *Sitakanta Mahapatra* seeking to reduce the demand for grant of Rs. 64,35,000 under head "Customs", by which the mover wanted to raise a discussion on the policy of excise duties on agricultural produce, ruled that it would be out of order as the policy was dictated by the Commerce Department and not by customs officers.

Mr. *K. C. Neogy* and Mr. *Gayaprasad Singh* drew the attention of the Chair that similar cut motions under "Customs" had been allowed in past years.

Through the second cut motion, Mr. *Sitakanta Mahapatra* ventilated the grievances of the Oriyas regarding non-representation of the Oriyas in the Customs Department.

Other cut motions under the head 'Customs' were either withdrawn or were not moved or were declared outside the scope of the House. *Dewan Lalchand Navalrai* voiced the grievances of the Hindus of Sind who in reality were a minority community and this led to some heat in discussion.

After several other speakers offered their suggestions on the question, Sir *George Schuster*, replying, said that no injustice was being done to the Hindus of Sind.

Great heat was imported into the discussions on cut motions which related to inadequate repression or paucity of one community or the other in the various department of the Government. The debate proceeded for some time on communal lines, which was greatly deprecated by certain members.

Mr. *Maswood Ahmed*'s cut motion seeking to redress the grievances of Muslims in the Postal and Telegraphs services in respect of their representation according to population basis was defeated after Sir *Frank Noyce* replied that in the last year's recruitment fair justice was done to the Muslim community. The House then adjourned.

POSTS AND TELEGRAPHS DEMAND

10th. MARCH :—Lively discussions followed when Mr. *S. C. Mitra* through a cut motion in the demand under 'Posts and Telegraphs Department' raised a debate on retrenchment of the subordinate staff in Postal Department and ventilated the grievances of the lower division clerks and sorters with regard to the compensatory allowance which was denied to them. Mr. Mitra complained that while ruthless retrenchment was effected in the subordinate staff, the higher officers were not proportionately retrenched or even when retrenched were provided in new posts. He pointed out that there was much more scope for economy in the telegraph engineering branch.

Mr. *N. M. Joshi* thought that the policy of retrenchment was a wrong policy. In times of depression, he said, more employment should be provided and instead of closing down the post offices in rural areas which was one of the recommendations

of the Posts and Telegraphs Retrenchment Committee more postal facilities should be provided by opening new post offices. For the efficient administration of the department lower staff was more responsible. So they should not be thrown out of jobs for economy. He suggested that higher officers should be retrenched as an automatic safeguard against unnecessary retrenchment of subordinate officers.

A passage-at-arms ensued between Mr. Joshi and Sir *Cowasji* when the latter stated that the posts and telegraph department was a commercial department which should pay its way. If the post offices in rural areas were found to be losing concern they should be abolished. The Government Departments were not charitable institutions to employ men. He asserted that there was a certain room for retrenchment in the subordinate staff than the higher staff.

Sir *Henry Gidney* championed the cause of the lower staff of the postal department and figured as a great opponent to the retrenchment policy which, he said, assumed an epidemic form in all departments of the Government. He said that the post offices should be looked on as a public utility department.

Mr. D. K. Lahiri Choudhury voiced an emphatic protest against the manner in which the pruning knife was applied against the lower grade postal employees while waste and extravagance were allowed in the Telegraph Engineering Branch.

Mr. Amar Nath Dutt suggested to retrench salary and not the employees for the sake of economy if it was indispensable.

Sir Thomas Ryan replying said that to enable the department to pay its way efforts to reduce the expenditure and increase the revenue must continue. He refuted the allegations that lower staff were ruthlessly retrenched while superior officers were left untouched. Neither did he admit that the postal branch was bearing the burden of Telegraph Branch. The motion was defeated.

Mr. S. C. Mitra then moved another token cut to voice the grievances of the extra-departmental agents who in comparison to work and responsibility shouldered on them got only nominal allowance so that they might be called a band of honorary workers.

Mr. S. C. Mitra moved several other cut motions to draw the attention of the Government to the drastic reduction of selection grade of posts specially in Calcutta and to the grievances and service conditions of railway mail service employees. The motions were withdrawn after a sympathetic reply from Mr. Ryan promising to go into the cases.

GUILLOTINE was applied at this stage and the demands for grants under the various heads of expenditure were put before the House and carried. The House then adjourned till the 12th.

DEATH OF SIR THOMAS RYAN

12th. MARCH:—Mourning and sorrow marked the atmosphere in which the Assembly met to-day. Members were shocked to hear the tragic news of the sudden death of Sir Thomas Ryan when they entered the Council.

Sir Frank Noyce, moving that a message of condolence and sympathy of the House be conveyed to the bereaved family, recalled in chocked voice many sterling qualities of the departed and said that the tragedy of his sudden death was deepened by the thought that after a few days he was to leave India to enjoy his well-earned retirement. The President deplored that the news of the tragedy came with shocking suddenness and desired to convey the sympathies of the House to Lady Ryan and other members of the bereaved family. As a mark of respect to the memory of Sir Thomas the House adjourned.

INDIAN TARIFF AMENDMENT (COTTON PROTECTION) BILL

13th. MARCH:—Sir Joseph Bhore amid loud cheers rose to refer the Indian Tariff Amendment Bill (Cotton Protection) to a Select Committee consisting of Diwan Bahadur A. Ramaswami Mudaliar, Mr. H. P. Mody, Mr. Sitaram Raju, Dr. Ziauddin Ahmed, Mr. B. Das, Mr. K. P. Thapan, Mr. Satish Ch. Sen, Mr. R. S. Sarma, Lala Ranieswar Prasad Bagla, Mr. Nabakumar Singh Dudhoria, Mr. C. S. Ranga Iyer, Raja of Kollengode, Mr. J. R. Scott, Mr. F. J. James, Mr. A. H. Ghuznavi, Mr. Hardy and the mover.

Sir Joseph asserted that the problem of imposing protective duty on cotton textile which was intimately connected with silk, artificial silk and cotton yarn was a problem of great complexity. But it was rendered easy by the agreement between the

Millowners' Association of Bombay and the Lancashire delegation in giving protection to the cotton textile industry. The main question which had to be examined were whether the industry established any claim to protection; what should be the measure of protection; whether it attained sufficient standard of efficiency, whether it needed protection and finally whether the continuance of the protection would seriously affect the interests of consumers. The findings of the Tariff Board on these questions recommend to continue the protection. The Tariff Board also examined if the charges of inefficiency levelled against the industry were justified. Continuing Sir Joseph Bhore said that although the progress of the industry under protection during the past years had not been very satisfactory it had been notable, which justified the continuance of the protection. He pointed out that the protective duty did not affect the consumers by enhancing the price level. Internal competition acted as sufficient guarantee to the consumers' interests despite the high level of import duty. The reason why the recommendations of the Tariff Board could not be given effect to in their entirety was the conclusion of the Indo-Japanese Trade Agreement and the Mody-Clare Lees Pact. The fixation of quota in the Indo-Japanese Agreement reduced Japanese competition and the Mody-Lees Pact dealt with competition of the next competitor, namely, the United Kingdom. Explaining why the Bombay Lancashire Pact was accepted by the Government, Sir Joseph said that the Bombay Millowners' Association was the most important and widespread organisation as more than half of its membership came from outside Bombay and also because the Government believed that in the wider interests of India closer Indo-British co-operation was necessary. He hoped that Lancashire would introduce reorientation of their attitude towards the East which, he was sure, had already been effected. By this pact India would sell more cotton to the relief of the agriculturists. Sir Joseph explained why silk and artificial silk industry required protection, but emphasised that future consumers must not be mortgaged for more than five years and after that period these industries must establish their case for continued protection before the Tariff Board.

Mr. B. Das moved an amendment to Sir Joseph Bhore's motion that the Bill be circulated for eliciting the opinion of commercial bodies and the public by the 7th July, 1934. He stated that the Bill needed careful examination in view of the fact that the Indo-Japanese Trade Agreement had not yet been signed, the Anglo-Japanese Agreement had not come to a conclusion, the Mody-Lees Pact which was incorporated in the Bill was anti-national and the interest of the handloom weavers had not been properly looked into. He further complained that the protection given to the sericultural industry and hosiery was not adequate. The speaker chaffed Mr. Mody for entering into pact with Lancashire which he characterised as humiliating.

Attacking the Tariff Board's recommendations, Mr. Sitaran Raju characterised them as special pleading for the mill industry. He would not be sorry if the Board were abolished. Referring to the Indo-Japanese Agreement Mr. Raju said that the quota system incorporated in the agreement was a confession of India's impotence although he agreed that the agreement relating to purchase of raw cotton was only a redeeming feature. Imperial preference given by the Mody-Clare-Lees Pact was not India's gift to England but something forced upon India and India's manhood must challenge it. He wanted protection from continued oppressive claims of the mill industry far more than the protection, to the industry itself as the managing system was a standing disgrace to the mill industry.

Mr. Ramsay Scott considered the Bill as 'much ado about nothing.' Protection given to hosiery was entirely inadequate and cotton hosiery should come under cotton piecegoods and enjoy fifty per cent. protection.

Mr. N. M. Joshi demanded the signing of the Indo-Japanese treaty in India as he did not wish that the ceremonial aspect of the treaty should be taken away. He strongly deprecated the principle of accepting by the Government of the pact arrived at between Lancashire and another private organisation here, however powerful, as India's tariff policy could and must be dictated by one and one body alone, namely the Legislature. He wanted to know what India would get from Lancashire in return of the 25 per cent preference given to her by Mr. Mody.

Mr. Nabakumar Singh Duhoria also spoke. The House then adjourned.

14th MARCH :—Resuming the discussion on the Cotton Textile Protection Bill to-day, Mr. Mody said : Once again I have to plead before the House for the cotton textile industry. Mr. Mody refuted the charges of inefficiency levelled against Bombay

millowners and challenged the members to prove the charges. The managing agency system which was much criticised, he observed, was due to the peculiar conditions of India, where capital was shy. Referring to the protests recorded by Calcutta against Bombay's agitation regarding the jute duty allocation, he said that the charge of Bengal that Bombay millowners exploited the Swadeshi movement were based on misconception. Continuing, Mr. Mody welcomed the Indo-Japanese agreement, but complained that the cotton textile industry had not been adequately protected. He gave instances showing how Japanese Shippers controlled the purchase of Indian cotton in the interest of Japanese industrialists to the detriment of Indian manufacturers. If the duty were fixed at fifty per cent the same price-cutting and selling at uneconomic prices would start.

Mr. Mody resented taking off by Government the $1\frac{1}{4}$ anna specific duty plus five per cent ad valorem duty on yarn as provided in his pact with Lancashire. He reiterated his previous charge that a good deal of yarn was imported through Kathiawad ports, which did not find any place in trade return. Tracing the genesis of the Bombay-Lancashire agreement, vulgarly called as the Mody-Clare-Lees Pact, the speaker stated that the agreement was the provision of duty on piecegoods and their recommendation was nothing except taking off five per cent surcharge. He boldly declared that this much-maligned and widely-misunderstood agreement like the Ottawa Agreement was going to be justified and to him Imperial preference was nothing short of reciprocal trade arrangements. He visualised great political significance, as Lancashire played an important part in the Commons, and appealed to all sections of the House to save this industry, which was in every sense national.

Mr. V. Ramkrishna Reddy, supporting the Bill, stressed the important part played by the handloom industry in the economic life of India, which mainly relied on agriculture and cottage industry.

Mr. A. H. Ghuznavi welcomed the measure as it made honest attempts at reconciliation of various conflicting interests, namely, the interests of the cotton growers, the interests of the Indian manufacturers overseas, such as the United Kingdom and Japan. He thanked and congratulated Mr. Mody for successfully entering into a pact with the Lancashire delegation, which produced immediate effect on the political circle in England. The pact had, he asserted, a great political bearing. Continuing, Mr. Ghuznavi said he had documentary evidence that when during the Anti-Partition agitation Bengal declared boycott of British goods and was pledged to purchase the products of Bombay Mills, Bombay Millowners raised the prices by 400 per cent. But Bengal supported and would be always supporting the industry of Bombay, which was national.

Mr. K. C. Neogy attacked the Mody-Lees Pact as this was an expression of abdication of the Commerce Member's function. Bombay did not enjoy the same predominant position, because mills were rapidly growing round different centres for local consumption. So, to say that the Bombay Association represented the major number of Indian mills was incorrect. Quoting from the evidence of the Manchester Chamber of Commerce before the Joint Parliamentary Committee, Mr. Neogy showed that the talks of Lancashire's conceding political rights to India were not real as they insisted on safeguards. He strongly condemned the principle of granting economic concession on political grounds and held that the Pact was all the more dangerous as the other party was ruling the country. He wanted to know if this agreement was a fore-runner of many other similar pacts, of which hint was given by the Secretary of State in the House of Commons.

Sir Leslie Hudson, on behalf of the European group, congratulated Mr. Mody on his agreement which, he said, was in the best interest of India. He criticised the Indo-Japanese agreement as too much favourable to Japan. The House then adjourned.

15th. MARCH:—Amidst persistent interruptions from which he sought the protection of the Chair, *Dwarkanath A. Ramaswami Mudaliar* sought to defend the Mody-Lees Pact when discussion was resumed on the Cotton Textile Protection Bill this morning. He said he had great respect for the honest Congressmen who kept themselves outside the House and maintained an attitude of inexorable non-co-operation with the Government but he could not understand the dishonest non-co-operation of "super-patriots" and commercial organisations who refused to send representatives to this House but pestered the Government with interminable deputations. Defending Manchester's demands for safeguards, he declared that this was

provoked by unreasonable and anti-British attitude in the Assembly and in the country. Diwan Bahadur Ramaswami Mudaliar said that one direct result of the Mody Pact was the purchase by Lancashire of more than double quantity of Indian cotton than the corresponding period of the last year.

Mr. Bhupat Singh asserted that the Government of India had no justification for giving statutory recognition to the agreement entered into by two private industrial agencies. He regretted that the Government did not accept fully the recommendation of the Tariff Board regarding the silk industry but he hoped that whatever protection had been proposed to be given would revive the once flourishing industry of India and bring back ancient prosperity.

Mr. Ramkrishna Reddi opposed the Imperial preference and said that the Ottawa Agreement gave India certain reciprocal advantages but the present pacts assured India nothing.

Without questioning Mr. Mody's business abilities, Sir Abdur Rahim declared that the Government's acceptance of the private commercial agreement raised a matter of great constitutional importance. Agreements of this character instead of smoothing matters rather complicated the issues. What would the Government do, he asked, if other organisations representing a sectional interest struck up their pacts with private business corporations in other countries and pressed the Government for acceptance. Unlike the Indo-Japanese Pact the Mody Pact did not provide any definite undertaking by Lancashire to buy a definite quantity of Indian cotton while giving her certain tariff concessions and this element of uncertainty was going to invite enormous troubles. If Lancashire was so willing to help the Indian cultivator as stated by certain gentlemen, why did she not commit herself to some definite quota as Japan did. The Government would be in the danger of narrowing their vision if they encourage instead of discouraging such private pacts. He pleaded for the Murshidabad silk industry and hoped that the Select Committee would insist on the measure being taken for its protection.

Mr. K. P. Thampam said that it was bunkum to say that England bought more Indian cotton because of the Mody Pact. The reason should be sought in the Ottawa Agreement. The House then adjourned.

16th. MARCH:—After four days, the debate on the Textile Protection Bill had an exciting end to-day. Mr. B. Das's motion for circulation was rejected, but the Opposition backed Mr. Bhupat Singh's amendment for extending the time of the Select Committee's labours from ten days to three weeks.

Sir Joseph Bhore opposed the amendment, saying that they would take extension afterwards if necessary. The amendment, being put to vote, was rejected by 54 votes to 32. Thereupon Mr. K. C. Neogy declared that the three members of the Democratic Party would not sit on the Committee in view of the Government's attitude. Sir Joseph Bhore's motion for a Select Committee was carried without a division.

When the discussion on the Bill was resumed, Mr. C. S. Ranga Iyer made a counter attack on Dewan Bahadur Mudaliar for troubling the calm waters of economic discussions by calling the mill-owners, who were not represented in the Assembly, dishonest and treacherous, which really amounted to calling them scoundrels. "Mudaliars rush in where Modys fear to tread," observed Mr. Ranga Iyer, although Mr. Mody was not an angel. The Opposition might well ask why Lancashire clamoured for safeguards when there were Modys and Mudaliars in this country. Eventually, Mr. Ranga Iyer supported the Mody Pact as he believed in Indo-British co-operation for increasing the world market for Indian cotton as also for the vulnerability of India's enormous sea coasts and frontiers. He realised that Lancashire had approached India from a new angle of vision.

Sir Cowasji Jehangir, referring to the Indo-British Agreement, observed that the prosperity of the agriculturists led to the prosperity of the industrialists and if by the Indo-Japanese Agreement the import duty on textiles had been lowered from 75 per cent to 50 per cent to give relief to the cotton-growers he would not grudge it. But he apprehended that the cotton-growers would not be able to reap the benefit of the agreement, as by skilful manoeuvres the prices of cotton would go down. As regards the Mody-Lees Pact, he defended Mr. Mody and stressed the importance of the 'quid pro quo' offered by Lancashire in the agreement, namely, that they recognised India's right of imposing duties on Lancashire goods to protect India's industry.

Mr. Satyendra Ch. Mitra could not accept the view that commercial interests and policies were insuperable, specially in a subject country like India. Mr. Mitra

THE FINANCE BILL DEBATE

characterised the fiscal convention as a farce and refused to believe that freedom was achievable by reasoning and logic. The House might give any amount of Imperial preference but he declared that England could not force India to buy her goods without real political reconciliation.

After Sir Joseph Bhore had replied to the debate, Mr. B. Das's circulation motion was negatived. Mr. Bhupat Singh's motion to refer the Bill to a Select Committee, with instruction to report within three weeks instead of ten days, was also negatived by 54 to 32 votes. The original motion for reference of the Textile Bill to a Select committee was then passed.

The situation in the House became deeply tense when Mr. K. C. Neogy made a statement that in view of the attitude of the Government regarding this important matter the three members of the Democratic Party whose names were included in the Select Committee declined to sit on the Committee. Dr. Ziauddin Ahmed, without any party commitment, made a similar statement in his individual capacity. Sir Abdur Rahim said that in view of the feeling that members of the Select Committee were being hustled due to the shortness of time he would request the Government to reconsider their attitude.

Sir Joseph Bhore could not say anything beyond stating that the Chairman of the Select Committee would try his best to accommodate the members.

The President stated that according to legislative rules, if a Select Committee was unable to finish its labours within the time prescribed in the motion, it was open to come before the House and ask for more time.

The Finance Bill

Sir George Schuster then moved for consideration of the Finance Bill. Without any speech Haji Wajihuddin opposed the imposition of extra one pice on book-post. He also condemned the Government's present taxation policy in general.

Mr. Maswood Ahmed suggested that there should be a ministry for agriculture and criticised the Government for neglecting the interests of the agriculturists. He pleaded for greater facilities for the export of rice from Bihar. The House then adjourned.

17th. MARCH:—When the discussion on the Finance Bill was resumed to-day, Mr. E. S. Miller drew the Government's attention to Burma's indignation at what he characterised as a palpable injustice in failing to give Burma back half of the export duty on rice while favouring Bengal by giving her half of the jute export duty.

Sir Mohammad Yaqub pleaded for the abolition of the proposed excise duty on sugar and suggested the imposition of four annas extra duty on salt. (cries of 'no' 'no') He also suggested the imposition of a small export duty on gold which would secure the stoppage of exodus of gold and also bring some revenue to the Government.

Mr. Jadhaba urged upon the Government the importance of developing Indian mercantile marine in order to foster the trade of the country. He also stressed that company laws should be revised to help the Indian insurance business.

Mr. Amar Nath Dutt urged the Government to undo the hydra-headed monster of the Communal Award and the Poona Pact which did great injustice to Bengal and India.

Mr. F. W. Hockenhull asked the Government what specific solution they contemplated of Assam's budgetary difficulties.

Khan Sahib Fazal Piracha and Diwan Lalchand Navalrai also made some observations on the Finance Bill, after which the House adjourned till the 19th.

19th. MARCH:—Resuming discussion on the Finance Bill to-day, Sir Hari Singh Gour urged the Government to seriously consider the question of reorganisation of all public services in order to reduce the expenditure of the Government of India if they really wanted to be saved from irremediable bankruptcy towards which they were rushing. He quoted figures to show that India had been saddled during the last five years with additional taxation to the extent of nearly 51 crores. The speaker next stressed the necessity of heavy reduction in both civil and military expenditure and in conclusion asked the Finance Member to be responsive to the wishes of the House if not responsible to it.

Mr. S. C. Mitra criticised the military administration and made serious allegations against the military activities in Midnapore, specially in Contai. He narrated

specific cases in which Congressmen and other people had been forced to salute the Union Jack or, on refusal, had been subjected to inhuman tortures, their houses were searched, property damaged, and modesty of the ladies outraged. He further related how schools had been forced to receive batches of soldiers at the time of their visit and how tea-parties and 'dallies' or in lieu thereof cash payments were extorted from the public, (cries of 'shame' 'shame' from the non-official members) The speaker also referred to the indefinite confinement of detenus and warned the Government that repression would fail to extinguish their love for the country.

Messrs. *Anslesaria, Yamin Khan* and *Talib Mehdi Khan* made some observations on the Finance Bill after which the House adjourned.

DEATH OF MR. R. T. H. MACKENZIE

20th. MARCH :—When the Assembly met to-day Sir *B. L. Mitter*, Leader of the House, conveyed the tragic news of the death of Mr. R. T. H. Mackenzie, a nominated member, representing the Associated Chambers of Commerce, which occurred this morning at 6-30 under similar circumstances in which Sir Thomas Ryan died the other day. Sir Cowasji Jehangir, Deputy Leader of the Independent Party. Mr. Gaya Prasad Singh on behalf of the Centre Party, Sir Hari Singh Gour, Leader of the Nationalist Party, and Mr. G. Morgan of the European group, all expressed their deep sense of sorrow at the untimely death of Mr. Mackenzie and associated themselves with what came out of the lips of the Leader of the House. They all said that it was too tragic that on the eve of the deceased's retirement they should have to mourn his death. The Chair also associated himself with what was said by the members and party Leaders and in accordance with the wishes of the House agreed to convey to the bereaved family of the departed an expression of sincere condolence and sympathy of the House. The House then adjourned as a mark of respect to the memory of the deceased.

Debate on the Finance Bill (contd.)

21st. MARCH :—When discussion on the Finance Bill was resumed to-day, Sir *Harry Haig* regretted that he was not present when on Monday Mr. S. C. Mitra made a series of serious allegations against the administration in Bengal, as he thought that the Hon'ble Member would speak on finance and not on administration. He wanted a reply and he shall have a reply. Mr. Mitra well knew the procedure of the House regarding seeking information from the House. Most of the questions he (Home Member) had to answer was from him (Mr. Mitra) and that also mostly as regards detenus. It was impossible for any Government Member to give a categorical answer to the points raised in the course of a debate and he would ask the Bengal Government to supply the information.

As regards the functions of troops in Midnapore, Sir Harry Haig pointed out that troops in India were maintained not only for the purpose of defence against external enemies, but for the purpose of giving aid to civil powers in internal emergencies. It was in accordance with these duties that troops were now employed in Bengal. Sir Harry Haig stated that valuable results had been achieved by the presence of troops in Bengal, and Government's anticipations in sending two brigades soon after the terrorist menace, in autumn of 1935, were fulfilled, for the situation was now very much better (*Here, Here*). He did not wish thereby to minimise the efforts of civil officers, but the great part of the credit for the improved situation was due to the presence of troops. The general spirit of confidence had been restored in Midnapore. And in Chittagong also direct results had been achieved. Sir Harry Haig hoped that nothing should be said or done in the Assembly which would have the effect of trying to discourage troops in Bengal, for he had seen nothing in reports he had received to suggest that their discipline had in any way fallen short of an exemplary standard. Referring to the problem of detenus, Sir Harry Haig was astonished at Mr. Mitra's charges. Mr. Mitra had declared that Government should not imagine that by merely keeping in restraint a few thousand young men they would kill the ideas of patriotism.

Sir Harry Haig asked : "Does Mr. Mitra think that we are keeping these young men in order to kill the ideas of patriotism ? The problem of detenus is practically confined to Bengal. Are there no patriots in other provinces. Has Bengal the monopoly of patriotism ? Or is it not that Bengal has the monopoly of something different (political murder) ? What Government are seeking is not to repress patriotism, but the desire for murder. That is the justification for the policy of keeping

these young men under restraint. We fully believe that they are terrorists. The Bengal Government check their information by placing it before two Judges. If they proceed on wrong information, it is only in a very small number of cases."

Mr. Mitra, interrupting, stated that the procedure was only in respect of State prisoners.

Sir Harry Haig replied: "As regards State prisoners we follow exactly the same procedure as is followed by the Bengal Government in regard to prisoners under the criminal law. I would invite Mr. Mitra to make it clear whether by expressing his feelings, as he did, he in any way desired to support the murder of Government officials or their friends."

Mr. Mitra immediately answered in the negative.

Sir Harry Haig: I have no doubt that he did not desire to encourage that feeling, but somehow his language was open to that doubt. However, the Government policy is to extirpate all those ideas which bring discredit and shame to Bengal. Quite apart from the considerations of morality and inhumanity, I am certain that Mr. Mitra has realised clearly the harm that is generally done to the interests of his own country, the feeling of distrust and estrangement endangered and the handle given to the opponents of political reform, not to speak of the material loss caused to the province and the expenditure involved in maintaining extra police force and the diversion of energies which should be utilised in beneficent activities."

Proceeding, Sir Harry Haig explained the mentality of terrorists Government had tried amnesty and released them, but time after time they (terrorists) had gone back to the same profession. Terrorists would give up their policy only when they were made to realise that force would not succeed. And that was what Government were endeavouring to bring home to them now so that they might discard those and endeavour to lead a normal life. When that moment occurred, no one would be better pleased than the Government of Bengal.

Lastly, Sir Harry Haig referred to the classification of prisoners and after pointing out that the revised rules were framed in consultation with leaders of parties in the previous Assembly, he stated that class (a) under the present rules was special class in old rules and statistically it would be proved that it was not correct to say that very few prisoners were sent to class (b) and more in class (c).

Sir Cowasji Jehangir made a strong plea for affording relief to the Bombay Government in their budgetary difficulties. He mentioned the extent to which retrenchment was carried out ruthlessly and the amount of extra taxation which had to be imposed for balancing the budget. The Meston Settlement, he said, was the most iniquitous for Bombay and the tax per head in Bombay was the highest in India.

Replying, *Sir George Schuster* acknowledged the difficulties of Bombay but he said that the Central Government was not in a position to give a general largess to the province. He pointed out that the Central Government had allowed some concession to the Bombay Corporation recently.

After Sir George Schuster's reply, the motion for taking up the Finance Bill for consideration was passed.

REDUCTION OF SALT DUTY

When the Finance Bill was taken up for consideration clause by clause, Mr. Amar Nath Dutt and Mr. Maswood Ahmed moved several amendments urging reduction of the duty on salt of Rs. 1-4 per maund. All the amendments were negatived. Mr. N. M. Joshi observed that the salt duty was the worst kind of indirect taxes prevailing in India.

OMISSION OF CIGARETTES DUTY

An interesting debate followed when Mr. Maswood Ahmed moved an amendment seeking omission of the proposed duty on cigarettes of 25 per cent. "ad valorem" plus Rs. 5-15-0 per thousand cigarettes which would have the effect of lowering the existing import duty thus encouraging the influx of foreign cigarettes. *Sir Cowasji Jehangir*, *Sir Hari Singh Gour* and Mr. S. C. Mitra, all opposed the proposal and urged the retention of the present duty. The debate had not concluded when the House adjourned.

22nd. MARCH:—When discussion of Mr. Maswood Ahmed's amendment was resumed to-day *Sir George Schuster* proposed that the debate on the amendment be

held over until an agreement was arrived at between the representatives of the various parties and the Finance Member at an informal meeting.

DUTY ON HIDES AND SKINS

The President agreeing, Mr. Vidyasagar Pandya moved an amendment urging the maintenance of status quo in regard to the export duty on hides and skins, and protesting against the abolition of duty on hides. Mr. Pandya contended that if the duty be abolished, it would kill the tanning industry which was flourishing in Madras and other parts of India. He pointed out that a large number of Moslems was interested in the business and so he asked the Muslim members to support him.

Khan Bahadur Wilayatullah and *Sadiq Hasan Sheikh* opposed the amendment on the ground that due to the export duty, the export of raw hides had considerably dwindled down.

Mr. James stressed that the Indian Tanning industry as a key industry was of considerable importance. Trade in raw hides and the tanning industry, he observed, were not antagonistic but mutually complementary. As for the fall in the export of raw hides, he pointed out that trade depression was responsible for it. But internal consumption of hides had also increased. He cited figures to show that the tanning industry had been growing more and more and if the duty were to be abolished it would seriously injure the industry without at the same time benefitting the primary producer. He further said that under the Ottawa Agreement, Indian-tanned hides were entitled to preferential treatment in the markets of the United Kingdom and this would be lost if the Continental tanners got the upper hand over the Indian tanners by reason of the abolition of the export duty on hides. He whole-heartedly supported Mr. Pandya's amendment.

Messrs Ghuznavi, Harbans Singh Brar, B. Das and O'sullivan also spoke on the motion.

Dr. Ziauddin Ahmed observed that imposition of export duty on raw materials for protecting the industry was a novel argument. He asked, why not protect the textile industry by levying a heavy export duty on cotton? There was, emphasised Dr. Ziauddin, no justification for export duty on hides which was not a monopoly of this country.

Sir Abdur Rahim, leader of the Opposition, opined that there was plenty of surplus hides which, if not exported, would be wasted. While the tanning industry must be given every protection, there was no justification for not facilitating the export of hides which could not be consumed by the Indian tanneries.

Sir Joseph Bhore, replying to the question, said that the export of hides decreased from 40,000 tons in 1927-28 to 13,000 tons in 1932-33. He observed that while world conditions played some part in the decrease of the export of hides, export duty was no less responsible.

The amendment was eventually defeated and the House adjourned.

23rd MARCH:—Further consideration of the Finance Bill was resumed to-day. Mr. Maswood Ahmed moved an amendment seeking to abolish the export duty on skins. He quoted figures to show that the export of skins had been dwindling down year by year since 1913-14. He contended that the fall in this trade was not due to economic depression. For, countries like Africa were getting an increased market in America and the United Kingdom whereas India was heavily losing her market. He pleaded that the recommendations of the Fiscal Commission should be kept in view and relief given to exporters of skins.

Sir George Schuster sympathised with the members who pressed for removal of the export duty on skins, but observed that although export had fallen considerably from 1927-28 onwards, the figures for ten months of 1933-34 had looked up satisfactorily which showed that there was no danger of the export trade being ruined. Further, the abolition of the duty would involve a loss of 15 lakhs in the Government revenue, which was not justifiable under the present circumstances.

In view of the Finance Member's sympathetic reply the motion was withdrawn.

Next Mr. Maswood Ahmed moved a substituted amendment relating to duties on cigarettes. The new amendment urged for levying an import duty of 25 per cent. ad valorem, plus Rs. 8-2 per thousand or Rs. 3-4 per maund whichever was higher. The motion was accepted.

Another amendment by the same member, proposing to impose an import duty on unmanufactured tobacco of Rs. 3-4 per pound (Rs. 2-12, per pound in case of the United Kingdom) was carried,

TAX ON LETTERS

Mr. Maswood Ahmed then through another amendment sought to raise the weight of letters costing one anna from half a tola to one tola. He urged that letters weighing more than one tola but not exceeding two and a half tolas should cost one anna and three pies and for every additional tola or fraction thereof the postage should be half an anna instead of one anna and three pies of every two and a half tolas or fraction thereof as proposed in the Finance Bill. *Mr. Maswood Ahmed* explained that unless the weight of letters costing one anna was raised to one tola, a reduction in the postage would not benefit the poor villagers.

Messrs. Sitakanta Mahapatra and *Sitarama Raju* whole-heartedly supported the amendment. *Sir Frank Noyce* stated that utmost concession had been made in the reduction of postage for letters and any further concession in weight would entail enormous loss on the postal department. He considered that the concession made were by no means illusory, as some members thought. *Dewan Lalchand Navalrai* asserted that people would always have to pay extra charges as the letters would invariably be found to weigh more than half a tola; so it would be like taking with other hand what was given with one hand. *Dewan Bahadur Navalrai, Sarda* and *Mr. S. C. Mitra* also held the same view. *Abdulla Hoom* opposed the amendment. *Sir Hari Singh Gour* supported the amendment. The amendment was, however, defeated by 49 to 37 votes.

All efforts made by *Messrs. Maswood Ahmed, Thampan* and *Amarnath Dutt* through successive amendments to lower the rate of postage for letters or to raise their minimum weight failed to achieve any result.

Mr. S. C. Jog then wanted through an amendment to lower the postage from one anna to six pies on letters for local service. Many members supported the suggestion, but it was ultimately defeated.

Mr. Amarnath Dutt thereafter moved an amendment seeking to reduce the price of post-cards to two pice, which was also rejected.

Mr. Maswood Ahmed's amendment for lowering the price of post-card to three pies shared the same fate. He thereafter moved another amendment for reducing the price of post cards to half-anna. The debate had not concluded when the House adjourned till the 27th.

27th. MARCH:—After the question hour in the Assembly, discussion on the Finance Bill being resumed, *Messrs. Amarnath Dutta* and *S. C. Mitra* supported *Maswood Ahmed's* amendment urging reduction in the price of postcards to half-anna and of reply-cards to one-anna. *Khan Bahadur Haji Wajihuddin* suggested the introduction of half-size postcards costing three pies, small size costing six pies, and the normal size costing nine pies. *Messrs. B. V. Jadhav* and *Gaya Prasad Singh* stressed the demand of the country for lowering the price of post-cards. They held that the loss in revenues due to reduction in rates will be amply compensated by increase in traffic.

Sir Frank Noyce, opposing the amendment, stated that the reduction rates would involve a loss of fifty-six lakhs of rupees. Traffic in postcards, he cited figures to show, had been dropping since 1929-30, even before the introduction of the enhanced rates. Referring to *Khan Bahadur Wajihuddin's* suggestion, *Sir Frank* showed a quarter size postcard and said that such small postcard costing three pies would be welcome by none (Laughter).

The motion was defeated by 45 to 37 votes.

Mr. Maswood Ahmed's amendment urging that the price of reply postcards be reduced to five pice was also defeated.

Sir Frank Noyce, however, agreed to consider his suggestion for the appointment of an advisory committee in the postal department.

BOOK POST RATES

Devan Bahadur Ramaswami Mudaliar, moving for the reduction in the proposed enhanced rate of book-post, observed that the increase would be a tax on knowledge.

Sir Frank Noyce: The increase has been recommended to check certain abuses.

Mr. Neogy: Devise some other means for that. But do not raise the postage all round, particularly on book-post.

Devan Bahadur's Mudaliar substituted amendment prescribing the postage of

nine pies for initial five tolas and six pies for additional five tolas or fraction thereof on books, patterns, or sample packets was however carried.

Through successive amendments, Messrs. *Maswood Ahmed* and *Amar Nath Dutt* tried to raise the level of the assessable income for purposes of taxation to two thousand rupees. But all of them proved infructuous.

Another amendment of Mr. *Maswood Ahmed* seeking to exempt from taxation income up to Rs. 1,500 also shared the same fate.

Mr. *Das's* amendment urging that the income of one thousand rupees be relieved of any income-tax was supported by *Khan Bahadur Wajhiuddin*, Messrs *Sitakanta Mahapatra*, *Azhar Ali*, *S. C. Sen* and *Amar nath Dutt*. By 50 to 37 votes this amendment also was lost.

Other amendments being desposed of, all clauses of the Finance Bill were put before the House and passed.

Mr. *Sitaram Raju*, speaking on the Finance Bill, complained that the expedites which were found to meet an emergent situation had now become standardised. With reference to the replies by Government members to the criticism of their policy relating to administration and finances of the country, Mr. *Raju* said: He had a speech on the ethics of Law and Order from the Home Member and sermons from the Finance Member on the ways and means of not how to improve our finances, but how best to employ our time while speaking on the financial policy of the Government. Speaking on the administrative policy, he compared the condition of India to Ireland and observed that one-third of the people had been in jails, one-third should have been sent to the lunatic asylums and the rest to the "poorhouses".

Continuing, Mr. *Raju* asserted that while there had been talks of a new constitution, the Government had been pursuing a policy of repression.

Sir *Abdur Rahim*, leader of the Independent Party, asked Sir George Schuster to tell the Secretary of State to give India a greater responsibility and power in matters financial, so that India might get a chance of regaining her financial prosperity.

The House then adjourned till 9 p. m.

When the third reading of the Finance Bill was continued at the post-prandial sitting of the Assembly, Mr. *Agarwal* referred to the provincial jealousies between Bengal with its chronic deficit caused by excessive expenditure on the Police and Bombay with its continued clamour for protection. He said the Punjab might well ask the Government to give back to the Punjab what they derived from Khewra Salt Deposits.

Mr. *Ranga Iyer* criticised the Government for proposing an excise duty on sugar and bringing the sugar bill after the Finance Bill had been passed. The speaker resented giving half of the jute duty back to the Bengalees who were most "greedy" and to whom India meant Bengal.

Mr. *Satyen Mitra* took an opportunity of replying to Sir Harry Haig's statement made the other day in the Assembly on Mr. *Mitra's* allegations against use of soldiers in Midnapore. He deplored the practice of running civil administration in Bengal with the help and co-operation of the military. He admitted there might be occasions and emergencies when military raj might have to be installed, but that should never form a permanent feature of day-to-day administration. He was surprised that instead of making proper enquiries into the allegations he had made, Sir Harry should go on showering praises on soldiers on the excellent standard of discipline maintained by them. He referred to the just and generous investigations made by Lord Curzon into the Burma case when British soldiers committed assaults on Burma women. It was British justice, emphasised Mr. *Mitra*, which was responsible for the permanence of the British Government in the country. But the bankruptcy of statesmanship on the part of the present British Government had lowered British administration in public estimation. Referring to Sir Harry Haig's question whether patriotism was a monopoly of Bengal, Mr. *Mitra* observed, "I never claimed that. What I claimed was that the Bengalees are patriots. Much is made of the assertion that Bengal *bhadralok* Hindus are terrorists, murderers and misguided youths. But may I ask who is it who serves Government at an enormous risk of life? Is it not Bengal Hindu *bhadraloks*?" Continuing, Mr. *Mitra* quoted the late Mr. Gokhale's words 'What Bengal thinks to-day India thinks to-morrow.' Mr. *Mitra* asserted that if the Government wanted peace and conciliation they would have to conciliate Bengal, specially Hindu *bhadraloks* of Bengal. With regard to the classification of political prisoners Mr. *Mitra* complained that whereas many prisoners convicted of heinous offences were put in class 'B', political prisoners

coming from respectable families having a higher standard of life were classed as 'C'. Even in jails they were treated with hardship.

Sir George Schuster, replying to the debate, said he did not wish to keep longer the weary house. Referring to Sir Abdur Rahim's criticism of the capitulation award, Sir George Schuster emphasized that the award had gone against India on all points except one and the assessment made by his Majesty's Government in respect of this one point was reasonable. Referring to Mr. Mody's speech he said Mr. Mody would have to substantiate allegations against States. As for the loss of revenue the Government were fully alive to the point. Their attitude must be on treating all interests fairly. As regards smuggling, active steps were being taken to minimise that danger. Sir George Schuster then made an announcement regarding the port of Bombay, and announced an inquiry into the financial position of the Bombay port. He said :—"The Government of India recognize that the maintenance of the trade and financial stability of the port of Bombay is a matter of far more than local importance in which they have a very direct concern. They have assured the Government of Bombay that they will do all that is in their power to ensure to the port of Bombay conditions of fair and equal competition with other ports and ability to hold its place in such conditions. They propose to institute an early enquiry into the position of the port of Bombay in order to determine what measures on their own part may be necessary."

Sir George Schuster, replying to Mr. B. Das's point that there should be a better system of taxation, agreed that the time had come when the relative reliance placed on the various heads of taxation should be reviewed. That would be a most important task in future of the Finance Member's responsibility.

As for excisable articles, arrangements had been made to keep a record of the issue of excisable articles from factories from April 1, but no payment would be due until May 1, by which time the bill would become law, so that demand would be made from April 1. He thought that the practical problem raised by the excise duty on matches would have to be faced whenever duty was imposed but had no reason to think that stocks which would elude duty were larger than they would normally be. Sir George claimed that the debate showed that his budget proposals were non-controversial and hoped after Sir Abdur Rahim's remarks the House might be regarded as accepting their proposals about Bengal beyond the range of controversy. Concluding, Sir George said : "This is the last debate on the Finance Bill that I shall have to handle in India. So many members felt that the Government of India had not been very enterprising in its methods of economic planning and that they would have liked to have seen a popular Finance Member to deal with the finances more in consonance with popular demands. Well, sir, history has not yet passed its verdict on the rightness or wrongness of the various methods tried by many countries to deal with the present situation. It still remains to be proved whether the bold experiments of President Roosevelt are right and still remains to be proved what ultimate reaction to the plans of that kind may be. We have followed the less ambitious plans, but yet just as carefully thought out. We have been influenced, let us be quite clear, very much by British methods, but let us also be clear, we have not been influenced by British motives. There was one sentence in Sir Abdur Rahim's speech which gave me certain amount of pain, suggesting that we are under the influence of British motives. There is no member of this Government who looks at any question from any other point of view except what is right for India. (Applause). If sometimes we have chosen a course which is harder and less popular, it is because we believe that British methods may in the long run prove better. We have kept our tradition sound and I venture to think that when Indians of the future look back on the history of all these years they would not be so critical as many are to-day of us who have to steer sometimes an unpopular course of trying to follow the right principles and avoid quack remedies."

The Finance Bill was then passed and the House rose at 1.50 p.m. amidst cheers and adjourned, establishing a record in the length of the Assembly.

THE SALT BILL DEBATE

28th. MARCH :—Sir George Schuster then moved further consideration of the Salt Bill.

Mr. K. C. Neogy moved an amendment that consideration be postponed pending an opportunity for the House to reconsider the terms of the resolution (dated April 1, 1931) for redistribution of the proceeds of the additional import duty on

foreign salt in the light of the action taken by the Government of India and the provincial Governments thereunder'. Mr. Neogy explained how at the time of enacting the Salt Bill the Government got a resolution passed in the Assembly outlining the method of distributing the proceeds of the duty. Firstly, it was laid down that the Government of India would devote a portion of the duty for the development of Northern India sources but the Government had failed in this respect as was clear from the report of the Central Board of Revenue and replies given by the Government to questions put in the Assembly. The resolution stipulated, secondly, that the Government of India would develop other sources for supplying salt to those areas which consumed foreign salt. Mr. Neogy said that the only step taken by the Government was to appoint the Pitt Committee which found that the prospects of making salt on the coast of Bengal were not rosy but the committee emphasised that their finding was based on imperfect data. The Government had done nothing, said Mr. Neogy, to collect all necessary data and come to right conclusion. The resolution, thirdly, aimed that the provincial Governments would also investigate the possibility of producing salt to meet their local demands. The Bombay and the United provinces Governments, although they benefited least from the duty, carried certain investigations but Bengal and Behar did nothing beyond swelling their balances. In a letter to the Government of India the Bengal Government even claimed freedom to utilise the duty 'in a way most advantageous to the people of Bengal'. It appeared from certain sources including that of the Pitt Report that Bengal was antagonistic to the manufacture of salt. Mr. Neogy quoted several documents to show that there was great future for manufacture of salt on the Bengal coast and certain companies were manufacturing it now on a progressive scale. The Government should consider the 1931 resolution and lay down definitely that the duty must be utilised for the development of salt or retained by the Government of India for this purpose.

Sir George Schuster pointed out that the bill itself must be passed before March 31, as otherwise a fresh bill had to be introduced. He agreed with Mr. Neogy that the terms of the resolution should be discussed by the House. He was prepared therefore to do his best to allot time for discussion of Mr. Neogy's motion before the end of the session and hoped that there would be no charge that the Government was bringing it at the fag end of the session.

Mr. Neogy withdrew his motion in order to allow the passage of the Bill.

During the consideration of the bill, *Mr. B. Das* reiterated his suggestion that there should be a standing committee which should report to the House every year as to the effect any protective measure had on the industry. He said he was encouraged in making this suggestion as *Sir George Schuster* himself had in a way supported it on a previous occasion.

Sir George Schuster thought this point could be discussed in connection with Mr. Neogy's motion. As for Khewra salt the Finance Member stated that with a fall in the prices of imported salt the possibility of Khewra salt becoming commercial proposition had been very much diminished. Khewra was not a potential source of adequate supply unless the Governments subsidised it, but at the same time it served as a reserve in case of war or any other emergency when salt could not be imported into India. The Finance Member promised to forward copies of the debate to the Government of Bengal. As for the suggestion of Mr. B. Das he promised to consult the Commerce Member but could not possibly say whether there could be a standing committee to report on the effect of each tariff measure.

Mr. G. Morgan affirmed that Khewra could not supply salt to the Bengal market at Rs. 66 per hundred maunds. Mr. S. C. Mitra suggested to the Finance Member not to distribute the money collected under the Bill until Mr. Neogy's motion was disposed of. Mr. S. C. Sen expressed a desire to see Bengal regain the position of manufacturing her own salt. If the Bengal Government persisted in its apathy towards the manufacture of salt then the Central Government should undertake the work. Mr. Maswood Ahmed expressed the fear that as a result of the passage of the Bill the price of salt would increase in India. Mr. Azhar Ali, Seth Abdullah Haroon and Mr. Gaya Prasad Singh also spoke. Mr. O'Sullivan said that the industry should be given adequate protection and not kept under suspense with continual risk of protection being removed. When the Bill comes before them next year they should give protection at least for three years. Karachi had already invested 25 lakhs in the development of the salt industry. Aden manufacturers seemed to form a ring to control prices. However, if Aden became separate from India then her exports from India should be treated as foreign imports.

The House agreed to take the bill into consideration.

Mr. G. Morgan moved that Liverpool be permitted to import free of additional customs duty salt not exceeding 50,000 tons a year. He reminded the House that the Finance Member stated last year that if it was proved that the Liverpool salt was entirely a special article which did not compete with Indian salt then the case for reducing the duty thereon would be considered in the interest of the consumer.

Mr. Morgan said that Liverpool salt had been replaced by German salt from Hamburg, to the extent of 50,000 tons annually. The House has agreed to the policy of India for Britain and Britain for India and that the two countries must stand together.

Mr. Mahapatra opposed the amendment and pleaded for Orissa salt.

Sir George Schuster said that an isolated proposition of this kind was inadmissible at the time when they were thinking of entering into definite trade relationship with the United Kingdom. If the British authorities thought that manufacturers of salt should have preferential treatment that could be considered as a part of the general discussion into which a number of questions would arise. He must therefore oppose the amendment. He added that quite apart from the previous arguments he as at present advised thought that Mr. Morgan had not established a case even on merits.

Mr. Morgan's amendment was rejected.

Mr. G. Morgan made another attempt to lower the duty on Liverpool salt by half. Mr. B. V. Jadhav opposed as the reduction would affect the salt industry of Kathiawar and Sind. Sir George Schuster also opposed on this ground. The amendment was rejected.

Mr. O'Sullivan moved for retaining the old duty of Rs. 54-12 by lowering it to Rs. 50. He said that the indigenous industry would be hit. Mr. Maswood Ahmed pointed out that the prices of salt were as low as Rs. 36 per hundred maunds and even the proposed duty of Rs. 50 was too much. Sir George Schuster opined that the duty of Rs. 50 was more in consonance with the prevailing prices. The amendment was rejected and the Salt Bill was passed. The House then adjourned.

THE SUGAR BILL

29th. MARCH :—Sir George Schuster moved for reference of the Sugar Bill to a select committee, consisting of Diwan Bahadur Ramaswami Mudaliar, Mr. S. C. Mitra, Mr. Azahar Ali, Abdoola Haroon, Lala Hari Raj Swaroop, Mr. Jagannath Aggarwal, Mr. Bhupat Singh, Lala Rameswar Prasad Bagla, Mr. R. S. Sarma, Mr. B. Das, Bhai Paramanand, Mr. C. S. Ranga Iyer, Mr. F. E. James, Mr. Morgan, Major Nawab Malik Talib Mehdi Khan, Sardar Nihal Singh, Shah Nawaz Khan, Mr. G. S. Bajpai, Mr. Hardy and the mover.

Sir George Schuster referred to what he called a misleading campaign and propaganda by interested parties since the measure was announced. He answered the charges of breach of faith saying that what they proposed was exactly what the Tariff Board recommended and the allegations of low prices of sugar shares and giving a blow to the industry, were absolutely contrary to facts. He quoted figures showing that shares of some companies worth two rupees rose to Rs. 164 and Rs. 186 since the Budget estimates were revealed.

Mr. Maswood Ahmed moved an amendment that the Bill be circulated for eliciting opinion thereon by August 1, 1934. The mover observed that there was no need for hurrying the measure as the Government would gain nothing thereby. He asserted that if Sugar factories were making huge profits, that could effectively be stopped by lowering the import duty, instead of putting an excise duty. He urged that even the factories manufacturing sugar by the open pan process be exempted from the excise duty. The House then adjourned till the 2nd. April.

2nd. APRIL :—After three days' Easter recess, the Assembly resumed discussion to-day on the Sugar Bill, which had been proposed to be referred to a Select committee. Lala Hari Raj Swarup moved an amendment to the recommendation of the Select Committee on the Sugar Bill, seeking to circulate the Bill for eliciting public opinion by the 31st of July next. He stressed on the importance of carefully studying the situation inasmuch as 15 crores of rupees were invested in this industry. Continuing, Mr. Hariraj Swarup declared that the Bill was definitely prejudicial to the interests of the cane-growers, manufacturers and consumers.

Bhai Paramanand asked the Finance Member to imagine himself in the position of the manufacturer and then he would realise the incorrectness of his logic. He apprehended that the Bill if passed in its present form would result in the manufacturers cutting down the wages of labourers, which in its turn would result in enormous hardship and unwanted complications. The story, *Bhai Paramanand* added, of sugar factories making enormous profits would appear misleading when large sums of money sunk in the industry were considered.

Dr. Ziauddin Ahmed was considerably heckled when he rose to support the Bill. He asserted that insistent propaganda had been going on against the proposed duty without any reason whatsoever in their support, and the charge that the legislature was going back on its commitment of affording protection if excise duty on sugar was imposed was unfounded. The Tariff Board recommended protection of Rs. 7-4 per cwt. which the manufacturers would be getting even now, as over and above the protection an all-round duty of Re. 1-5 has been proposed in the bill to be imposed on imported and manufactured sugar.

Decan Bahadur Ramaswami Mudaliar observed that even assuming that certain factories were abusing the privileges offered under protection and they were making fabulous profits, he ventured to think that a great deal has to be said in favour of the industry. Even taking for granted that the industry had been fairly established, the excise duty, at the present moment, if though not wholly bad, is definitely premature. The Dewan Bahadur further added that the Indian manufacturers will be at a distinct disadvantage if similar excise duty could not be levied in the States, and if the States agree to such excise duty they would refuse to make this a source of Federal revenue if when and if at all the federation comes into being.

3rd. APRIL :—Sir Abdur Rahim observed that the sugar factory-owners should not demand high profits. He did not find himself in agreement with the suggestion of Dewan Bahadur Ramaswami Mudaliar that the new factories should be exempted from any duty for one year so that they might get an opportunity of establishing themselves.

Mr. Jagannath Aggarwal took the memory of the House to a few years back when in 1919 after the Great War the Government of India considered it necessary that in the matter of sugar India should be self-sufficient instead of depending on foreign supply and appointed a sugar committee. Continuing, Mr. Aggarwal made a strong plea against the imposition of the excise duty on the infant industry and observed that it would amount to infanticide.

Rai Bahadur Lala Brijkishore and Messrs. S. C. Sen and Ramkrishna Reddi made some observations on the principles of the Bill.

Replying, Sir George Schuster refuted all charges that the Government were going back on their protection policy. The Tariff Board had recommended a protection of Rs. 7-12-0 and the merging of that basic protection would continue even under the present excise duty. He held that taking the cost of production, the average selling price and other things into consideration the factories would have a profit of 10 p. c.

Mr. Maswood Ahmed's circulation motion was defeated and the Bill was referred to a Select Committee with instructions to report within seven days.

THE MATCH EXCISE DUTY BILL

Sir George Schuster then moved that the Match Excise Duty Bill be referred to a Select Committee, consisting of Sir Cowasji Jehangir, Sir Darcy Lindsay, Sir Leslie Hudson, Messrs. Rahimtoola Chinoy, S. C. Mitra, B. V. Jadhav, Sitakanta Mahapatra, Sant Singh, R. S. Sarma, S. R. Pandit, Harbans Singh Brar, Mahomed Shah Nawaz, Anwarul Azim, Pandit S. C. Sen, Sir Frank Noyce and the mover.

Mr. B. Das spoke on the principle of the Bill and asked for ensuring a similar duty on matches manufactured in the Indian States so that the British Indian manufacturers might not labour under a disadvantage. The House then adjourned.

4th. APRIL :—The question time being over, discussion on the Match Bill was resumed. Mr. Jadhav made a rapid survey of the taxation policy of the Government. He observed that during the East India Company's regime the policy was one of open exploitation. Thereafter it was one of free trade, and when England gave free trade the Government of India followed suit and took to protection policy. But whatever that policy might be, one object had been all through to raise more and more revenue regardless of its effect, adverse or otherwise, on the country.

Mr. Sitarama Raju said that there was no document before the House to show the precise condition of the industry at this time and it would not be fair to proceed with the imposition of an excise duty on the findings of Tariff Board compiled seven years back. He hoped that the duty would not be imposed on matches produced by cottage industry as recommended by the Tariff Board. Turning to the foreign factories in India, he complained that some of them did not even use the wood produced in this country.

Mr. N. M. Joshi, quoting the budget speech of the Finance Member, concluded that the object of the Bill was to give contributions to Bengal and other provinces.

Sir *George Schuster*, intervening, pointed out that the proceeds from the excise duty were not to be earmarked for any particular purpose, but would go to the general pool out of which Bengal would get assistance.

Mr. Joshi said that he wanted to emphasise that it was wrong policy for the Finance Member to say in his budget speech that the proceeds of a particular tax were necessary for a particular object. The Finance Member ought to have brought forward the proposal of assisting a province in a separate resolution. Mr. Joshi's difficulty was that if he voted against the excise duty, he was liable to be misunderstood to have voted against the assistance to Bengal.

The President ruled that the voting on the Bill would not mean a vote for contribution to Bengal.

Sir *George Schuster* said that contribution to Bengal had already been made by accepting the demand for grant.

Mr. Joshi said that all such matters should be left to the decision of a small committee in order to avoid inter-provincial jealousies. Finally, Mr. Joshi expressed the opinion that the duty was excessive and would fall on the consumer and would stand in the way of the States coming into the Federation.

Sir *Cowasjee Jehangir* accused Government of lack of sense of responsibility inasmuch as they had failed to collect the taxes already sanctioned by the legislature; and having failed to do that it did not look nice for the Government to come before this House three times in the present session and ask for sinews of war. A good deal of trade, said the speaker, was being diverted through the Indian States and he wanted a definite assurance that the Government would get their due share out of match excise duty collected in the States before the House could sanction any further taxation. He regretted that long before the Federation came into existence the Federal source of revenue was being tapped.

Replying, Sir *George Schuster* assured that Government were taking all possible steps to prevent the situation of the Bombay Port from becoming worse.

The motion to refer the Match Excise Duty Bill to a Select Committee was then carried.

The Princes' Protection Bill

Sir *Harry Haig* then moved for consideration of the Princes' Protection Bill as reported by the Select Committee. He referred to the amendments and changes made by the Committee to meet the legitimate criticisms that were offered on the floor of the House during the earlier stages of the Bill.

Sardar *Sant Singh*, opposing the Bill, asked how they were justified in extending protection not only to the person of the princes but to their administration without imposing a corresponding obligation on them for allowing their subjects the freedom of the Press and speech for ventilating their grievances. They could, however, protect the administration of the States when it was based on the rule of Law.

Sir *Brojendra Lal Mitter*: Rule of what Law?

Sardar *Sant Singh*: I take the expression from section 124 of the Indian Penal Code.

Sir *Brojendra*: The British Indian law had been obtained from the British Parliamentary Statute.

Sir *Abdur Rahim*: Are there no other laws than Parliamentary statute?

Sir *Brojendra*: I want to know what law Sardar *Sant Singh* wants in the States?

Sardar *Sant Singh*: I maintain there is no law in the States.

Raja *Bahadur Krishnamachariar*: Every prince can make law without taking the trouble of going to the Legislative Assembly.

Sardar *Sant Singh*: That's a nice point. I accept that position. Then the Maharaja of Alwar can make laws to establish himself on the Throne.

Raja *Bahadur Krishnamachariar*: All right, but there is the Army (laughter).

Sardar Sant Singh : Raja Bahadur Krishnamachariar has given up his case. If there is a Law of Force, then there is no necessity of this Bill, for the leading of 'Jathas' can be prevented by force.

Raja Bahadur Krishnamachariar was considerably heckled when he rose to support the Bill. He observed that there were many well-administered States where there were peace and happiness.

Mr. B. Das : Can you take us there?

Raja Bahadur Krishnamachariar : God help me. As soon as people like you go there, there will be such a commotion that I shall have to ask the Home Member to drive you out beyond the frontier (laughter). Continuing, he quoted the Political Secretary's speech where he stated that there were rulers who commanded a feeling of awe, reverence and affection from their subjects, which was an asset to be d.

i : Where are you reading from? Is it "Arabian Nights"?

argued that when the British Indian subjects were not treated properly in the States, why should they afford any protection to the Princes?

Amidst pin-drop silence, *Sir Abdur Rahim* made a well-reasoned speech titioning the justification of enacting such a drastic legislation which sought to en upon the fundamental and ordinary rights of association and expression of opinio on public matters of citizens living under a civilised Government. Whatever the form of Government, whether Despotic, Autocratic, bureaucratic or democratic, the effect of clause (3) of the Bill relating to the Press will be a substitution of executive action for judicial procedure, which was unjustifiable under ordinary circumstances. Clause 5 of the Bill empowering the Magistrates to prevent associations etc, although purported to be based on section 144 of the Criminal Procedure Code, thought *Sir Abdur Rahim*, was very different from that section inasmuch as section 144 Cr. P. C. sought to secure peace only under a certain emergency by means of summary trial. He asserted that Clause 5 of the Bill was most obnoxious and required a close and serious examination as it involved a serious question of principle. *Sir Abdur* had not finished his speech when the House adjourned.

5th APRIL :—Further consideration of the Princes' Protection Bill was resumed in the Assembly to-day. Mr. B. V. Jadhav narrated several grievances of States' subjects. Land revenue was the highest, though it was some satisfaction that in some of the States there was no income-tax. The most important reason for much of the trouble was the low salaries paid to public servants, with the result they were always discontented and serious corruption and bribery prevailed. In almost all the States no newspaper was allowed so that free expression and association were completely suppressed. He did not agree with *Raja Bahadur Krishnamachari*'s definition of paramountcy. He was opposed to the Bill in its present form, because neither the Princes' Chamber nor any individual Prince had asked for protection. He, however, supported the prevention of Jathas. He would urge the Government to see that the States maintained a proper civil list.

Mr. K. C. Neogy examined *Raja Bahadur Krishnamachari*'s assertion that the so-called paramountcy of the British Government over the States was only 'Zuberdast', most of the rulers being 'sovereign' in as much as they were never conquered. Mr. Neogy held that the history of the States showed that the relationship of the bulk of the States with the British Government was that of subordinate co-operation. Continuing, Mr. Neogy pointed out that in the treaties with many of the States there were to be found expressions like loyalty, allegiance and definite written undertakings that the rulers would look after the welfare of their subjects. It was on this undertaking that the British Government extended their protection to them against foreign aggression and internal commotion. Besides, there are many States who have absolutely no written treaties and it was on political usages that they depended for their constitutional principle that while a 'de jure' monarch has the right of demanding obedience from his subjects, the subjects also possess the sacred right of insurrection and putting down the ruler if he becomes tyrant. But it is the Crown that gave protection to the States which stand in the way of the subjects if and when they are constitutionally justified in upsetting the throne of the States. Now that the Paramount power through its mouthpiece, the Government of India, has come to seek the help of this legislature for the proper discharge of their obligations, is this House not entitled to ask what the Government will do to

discharge their corresponding and equally solemn obligations to the States' people? Opposing clause 3 of the Bill, Mr. Neogy declared that the intended legislation would not stop black-mailing, as the scurrilous and undesirable propaganda that is generally carried on in certain section of the Press against the person of the rulers and their relations.

Mr. C. S. Ranga Iyer charged Mr. Neogy with insincerity and hypocrisy for saying that he would rather be ready to protect the person of the Princes than their administration. Mr. Ranga Iyer would not protect the person of the Princes until they were constitutionally responsible to their subjects' will. As the Federation was in sight, he would strongly support the measure which would go a long way in enlisting the Princes' sympathy for joining the Federation. The provisions relating to the Press in the Bill, however drastic to others, were welcome to him.

Sir Mohammad Yakub observed that the Princes committed a Himalayan blunder in expressing their desire for enactment of the present measure, as the bill provided opportunity to expose their administration.

At this stage closure motion was put and carried by 55 against 26 votes.

Sir Harry Haig, replying, said that the Bill was in part very definitely required in the interest of British India, as movement of Jathas stirred up feeling in British territory and obviously it was the interest of States as well that such a movement should not develop and be directed against their administration. When then was the significance of an enquiry whether the States had or had not made a formal request for legislation? If it could be shown that the States were opposed to the legislation it would be a different matter, but no member had suggested that. The Home Member endorsed Mr. Neogy's remarks that the members of the Select Committee did not approach the Bill in a spirit of hostility to the States. The provisions dealing with conspiracies and Jathas had been approved by speakers but objection had centred round the clause relating to the Press. Sir Abdur Rahim had put the case with moderation, but Sir Abdur's angle of vision was different from the speaker's. Probably it was due to different training. He, with an executive mind, believed in prevention, while Sir Abdur preferred, 'let the offence be committed and then punish it.' The official case was not that the measure was one of emergency. If it had been, it would have been included in the Ordinance Law. Such powers had existed as an ordinary law of the land for twelve years under the old Press Act. He did not, therefore, accept it as a valid criticism that they were introducing an emergency legislation at a time when the emergency was already passing away. The provision relating to the Press would have effect only till the temporary Press Emergency Act lasted. He was content to leave to the future Government to decide whether similar powers would be necessary in those days.

It had been suggested that clause five gave the District Magistrate powers too wide which he would not be able intelligently to exercise. He asked the House to remember in the first place that the clauses would come into operation only when extended by the Local Government to a district where there was existence of a serious dangerous movement, in which both the district and a neighbouring State were concerned. In these circumstances he would be a strange District Magistrate who was not closely acquainted with what was going on in his own district and across the border. The Magistrate would not in practice find it difficult to form conclusions which he was expected to form under the provisions of clause five. Finally, *Sir Harry Haig* said that it had been suggested that Conference of States' subjects would be prohibited. He commented: "I think that the suggestion could only be made by those who believe that the 'executive acts always in a most arbitrary manner and without regard to the provisions of law'."

Sir Harry Haig's motion to take the Select Committee report into consideration was passed without division. The House at this stage adjourned.

AGRICULTURAL INDEBTEDNESS

6th APRIL :—The Assembly met to-day to discuss several *non-official resolutions*. There being no questions, the House resumed discussion on the resolution moved by *Rai Bahadur Lala Brij Kishore* at the last session regarding the appointment of a committee of enquiry, consisting of officials, experts and members of the Assembly, to enquire into the causes of the present agricultural distress and to devise means for improving the condition of land-holders and peasants.

Mr. Bhupat Singh moved an amendment to the effect that the committee be a small one and the personnel be left to be decided by Government. He complained that committees had been appointed in the past to investigate various matters, but

their recommendations had been treated as sealed books and no action had been taken on them.

Mr. G. S. Bajpai, replying, laid before the House what the provincial and central governments were doing in meeting with the present distress which owed its origin to world depression. He pointed out that the provincial governments in the United Provinces, the Punjab and elsewhere remitted and suspended substantially the land revenue. As regards rural indebtedness, that was a vexed problem not easy of solution. Repudiation of debts had been suggested but that would lead to wholesale and successive expropriations and to no ultimate good. The Central Government had adopted a policy of discriminating protection by entering trade agreements to ensure foreign makers for agricultural produce. They were also trying to improve the quality of the produce and organise commercial statistics and regulate freights so that prosperity might accrue to the Agriculturists.

In view of this sympathetic reply, the resolution was withdrawn.

SEPARATE PROVINCE FOR MALABAR

Next Mr. Ranga Iyer moved a resolution recommending to the Governor-General in Council to constitute Malabar (Kerala-Madras Presidency) as a separate province together with the neighbouring Mala-yeo-speaking areas. Mr. Ranga Iyer made a strong plea for the creation of a separate province with Malabar though its area was not big enough to justify that step. He argued that hereafter provinces would have to be created not on the basis of the extent of their area but on the basis of linguistic and financial importance. Though small in area, the speaker observed that Malabar could stand on its own legs.

Mr. Gaya Prosad Singh :—But without any subvention from the Central Government?

Mr. Ranga Iyer :—Yes, without any subvention. We will not pay Rs. 4,000 as salary to our Ministers. He chastised Mr. Thampan for opposing the proposal. The speaker gave it as his opinion that the people of Malabar would be in a better position under the Federation constitution if Malabar was separated.

Discussion had not concluded when the House adjourned.

THE PRINCES' PROTECTION BILL (CONTD.)

7th. APRIL :—Discussion on the Princes' Protection Bill clause by clause was resumed to-day. Sardar Sant Singh moved an amendment that clause 2 of the Bill relating to conspiracy against the administration of a State be omitted. The mover observed that the term "conspiracy" meant an agreement between two or more persons to overawe by criminal force or to show criminal force to any Government. But the administration of a State not being defined in the Penal Code, how this law could be administered?

Sir Brojendra Mitter, intervening, explained that the definitions embodied in the Indian Penal Code would not apply to this Bill as it did not seek to amend the Penal Code, but was a self-contained measure. There would not be, the Law Member observed, practical difficulty in administering the law under this Act as the meaning of the technical words would be attracted from legal dictionary.

Mr. B. Das, supporting Sardar Sant Singh's amendment, observed that in the light of the interpretation of the term "conspiracy" as given on the floor of the House, he feared that he might be prosecuted as a conspirator against the administration of a State.

Dewan Bahadur Ramaswami Mudaliar considered that there was considerable force in the objection raised by Sardar Sant Singh that practical difficulty would be created in the administering of the Law in the absence of any clear definition of the word "Administration of State".

After the Home Member had replied the amendment was put to vote and defeated.

Thereafter Sardar Sant Singh moved another amendment that clause 2 of the Bill be substituted by a new clause making "overt act" instead of "conspiracy" punishable if committed within British India only and that the maximum punishment be two years' imprisonment instead of seven years. Mr. B. V. Jadhav and Dewan Lalchand Navalrai supported the amendment. After the Home Member's reply the motion was similarly rejected. The House then adjourned till the 9th.

9th. APRIL :—The House commenced to-day the consideration of [the Princes' Protection Bill as it emerged from the Select Committee. Mr. B. L. Patil moved an amendment urging deletion of the clause relating to the Press. He said that emergency

for muzzling the Press in this way existed only after the mutiny and the Bengal partition agitation and during civil disobedience. Since the burden of proving want of intention lay on the Press, no newspapers would run the risk of publishing even statements of facts and thus the only chance of ventilating the grievances of States' subjects would be removed. The Government contended that this provision was not new, but the speaker said that section 1 C of the Press Act of 1900 allowed comments not only against State Administrations, but also against the Princes.

The Raja of Kollengode, opposing, said that if this clause were omitted there was no use going on with the Bill, inasmuch as the greatest need of the moment was protection from the onslaughts of the Press, especially for Southern India States, which were well advanced. In South India some newspapers were distributed free among States' subjects.

Mr. Muazzam Sahib said that supervision of the Press was not only advantageous to States and to the early formation of the Federation, but was desirable in the interests of British Indian subjects. Mr. B. Das urged the Government not to take further powers and muzzle the Press. Insistence on a measure like this, even though it might be under the guise of protecting Indian States, would not be in accordance with the spirit in which Mr. Gandhi had called off civil disobedience. Incidentally, Mr. Das reiterated the view that the proceedings of the Select Committee should form part of the Assembly reports so that they might facilitate references.

Mr. Ranga Iyer urged retention of this clause as he believed that was the best way of ensuring the chances of a Federation with Indian States. If he himself had changed, it was solely because of that consideration. They should do everything to facilitate Indian States joining British India. Clause 3 would help to remove any suspicion which Indian Princes might entertain. References had been made to the "Riyasat" cane, which lasted for two years. He sympathised with the editor of the paper. If action was necessary under the Bill it should be straight after a clear warning to the editor concerned. The Bill, he said, was necessary in order to put down blackmailing in journalism and communal gutter Press.

Mr. Ramaswami Mudaliar said that the offence covered in the clause was already punishable under the Act of 1923 for 5 years. It was not a new offence. The only difference was that the present bill proposed now provided an executive trial and also proposed to forfeit the security of the Press. The speaker maintained that conditions were different in Indian States, where the ruler had the authority to ban the entry of newspapers, and the extent to which such a power was used could be seen by the fact that even a paper of the standing of the "Hindu" of Madras has been banned. The executive officials of the Government had given frank views which supported the opposition's criticism. The punishment of five years was greater deterrent to the editor than forfeiture of security of the Press, whereas from his experience in newspapers the speaker declared that often the proprietor and the editor were hauled up for publication of a correspondence which passed through hands of a sub-editor inadvertently. Further, the law would prevent the papers like the "Statesman" from ventilating the grievances of subjects, which the "Statesman" did in case of the Kashmere agitation. Recalling how the German Press continued vigorously to defend the German subjects in Poland, the speaker claimed that the Indian States could not be given a status of neighbours, having distinct nationality, but their subjects being of the same blood as the British Indian subjects, it was important that their grievances should be ventilated in British India. He supported the amendment for omission of the Press clause.

Mr. N. M. Joshi felt that this measure was likely to be used against the honest Press also. He asked why, if the gutter Press carried on a campaign of blackmailing, those princes encouraged it by bribery. Mr. Joshi continuing referred to what he called a very serious menace to the purity of public life in India. He recalled that for twenty-five years he was connected with the newspaper "Ghyan Prakash" and in the course of his duty he had to write something about the Indian States. A few days latter he received a cheque. The Servants of India Society, to whom the newspaper belonged, returned the cheque with thanks. These temptations were another form of blackmail, by which the purity of newspapers as well as the public men of India were seriously endangered. An Auditor-General in India after his retirement was forbidden from accepting any appointment under the Crown, but a former Auditor-General in India has been engaged in an Indian State. He regretted that these allurements of jobs as legal or constitutional advisers were not confined merely to members of the Assembly, but also to ex-judges, retired executive Councillors, and others. He would like to have proper safeguards against this growing danger and inroads into public life. Referring to the Political Secretary's assertion that there were

two hundred newspapers in the Indian States, he asked how many were allowed free play in their spheres and allowed to write on political matters.

Sir *Covasji Jehangir* feared that mere statements of facts about certain States, if related in the press accurately and even faithfully with the desire not to create hatred of contempt but with the desire to draw the attention of the administration to those facts in order that they might remedy, would come within the mischief of this clause. He emphasised that they were on the threshold of constitutional changes. They were prepared to make certain concessions to the Indian States, but there was a limit to the price which they were prepared to pay. British Indians demanded as a price of the goodwill that States should put their administrations on the same level with British India. He asked the House to think for a moment how they were treated by certain Indian States. They were not demanding from the States anything more than what justice and equity required. He wondered why this protection should be given, and why the Government was asking more than what they could give in this respect.

Sir *Harry Haig*, replying to the debate, said that some members had declared that there was no emergency requiring this legislation. He said he had never built the case on emergency plea. The Bill proposed to meet conditions which had existed for a long time and were provided for under the old Press Act of 1910, which not only gave protection to the person of the Princes but also their administrative Act. Justification for the proposed restriction was not only malicious writings weakening the authority of a State, but writings causing undesirable reactions in British India, particularly in the matter of communal feelings. The Home Member assured that they had no desire to penalize well conducted and honest papers. It had been recognised that whatever be the administration of States generally, there were some States with model administration, and it had been found necessary to protect such administration from attacks. As regards the argument that States could ban entry of any paper, Sir Harry Haig said that Indian India was not sheltered by a Chinese Wall. People in Indian India were exactly same as those in British India, divided by artificial boundaries, and added "thoughts leap over these boundaries very very easily and lies penetrate without difficulty". Sir Harry Haig held that it would be possible after this Bill was passed for the Press to ventilate legitimate grievances. He repudiated Mr. B. Das's suggestion that the Bill was aimed against the Congress. The Government did not attribute to the Congress instigation of such writings. The law would not affect well-conducted papers, but Government certainly desired to get at a class of papers which published malicious attacks. The publication of malicious criticism was certainly not the birth-right of well-conducted press.

Mr. *Patel*'s amendment to delete the clause was put to vote and defeated by 31 to 60.

Mr. *Navalrai*'s amendment seeking to omit word 'disaffection' from the ingredients forming sedition against the administration of a State was lost. The mover pointed out that 'disaffection' had been defined as want of affection and as the British Indians owed no allegiance to the princes how could they expect to show loyalty and affection towards them.

Mr. *S. C. Mitra* observed that now that the Government was following the new policy of running the administration of States by British agents they should make it clear whether they were demanding affection to States on that ground and whether they intended to carry their policy on a wider scale.

Sir *Harry Haig* stated that disaffection would have no application to the British Indians, but the States' subjects.

Sir *Brojen Mitter* explained and quoted authorities that disaffection did not mean want of affection, but a political feeling of alienation and discontent against the Government. He observed that words 'hatred' 'contempt' and 'disaffection' will apply only to subjects of the States.

Mr. *Gayaprasad Singh* asked : Supposing that a newspaper that wrote seditious articles against a State was banned in that State, would then prosecution be possible as it could not excite disaffection in the minds of the subjects of that State.

The motion, however, was defeated, after which the House adjourned.

10th APRIL :—All amendments to clause 3 of the Princes' Protection Bill, relating to stricter control on the Press, were defeated in the Assembly to-day.

Maulana Shafi Daoodi supported the amendment moved by Diwan Lalchand Navalrai that in clause 3 relating to sedition against the administration of the State

the word "established by law" might be added after the words "administration of the State". Maulvi Daoodi pleaded that unless there was a definite enunciation of the administration of the State the punishment proposed in the Bill for sedition against the States would be unjustifiable.

Sir B. L. Mitter explained that the amendment would render the clause meaningless. No State was brought into existence by the operation of law so the phrase "administration of the State established by law" was absurd. Further, the expression "administration of the States established in India", as embodied in the Bill, meant the States recognised by the Paramount Power.

Sir Abdur Rahim was surprised by the explanation of the Law Member. He said history showed that most of the States, including the Government of India, were brought into existence, not by the process of law, but by force and usurpation. But did not the phrase "government established by law" occur in the Penal Code?

Sir B. L. Mitter: The Government of India and Local Governments are established by the parliamentary Statute.

Sir Abdur Rahim: Are there no other laws except Parliamentary Statute? Is there not common law or customary law? Take the law of England. It is based mostly on common law.

The Law Member stated that the administration of the States was recognised by the Paramount Power.

Sir Abdur: Does it mean that the States which have been existing even before the Paramount Power came have no status if they are not recognised by the British Government?

Sir C. Jehangir: Why not press for withdrawal of the Bill? I dispute the Law Member's explanation. I do not support the Bill.

Messrs. Ranga Iyer and Yamin Khan opposed the amendment, nor could Diwan Bahadur Harbilas Sarda support it. Replying, Sir Harry Haig observed that the amendment, from whichever point of view it could be approached, was either mischievous or superfluous. The motion was negative.

A good deal of controversy arose when Mr. Jadhav moved an amendment to explanation to clause 3, exempting statement of facts if made without malicious intention and without any attempt to excite hatred, contempt or disaffection from penalty, that the statements of facts without malicious intention (omitting the words attempt to excite hatred, contempt or disaffection) might not come under the mischief of the clause.

Sir Cowasjee Jehangir, Dewan Bahadur Mudaliar and Sir Abdur Rahim, supporting the amendment emphasised that the conditions in the States were such that mere narration of facts about the administration was bound to excite hatred, contempt etc. So, however honest the purpose the press might have, they would be penalised for the publication of a more bonafide statement of those. Mr. S. C. Sen observed that this clause would gag truth. Mr. S. C. Mitra and Sardar Harbans Singh Brar supported the amendment which, however, was defeated by 49 to 27 votes.

Dewan Lalchand Navalrai them moved an amendment to clause 4 dealing with the prevention of "Jathas". The amendment sought to make the clause more definite and precise in meaning and to narrow its scope. The amendment was rejected.

Thereafter the same member moved for omission of clause 5 which gave very wide powers to the magistrates and was analogous to Section 144 for preventing a person from doing certain acts which a Magistrate considered would obstruct the administration of a State.

Dewan Bahadur Mudaliar and Sir Abdur Rahim took strong objection to the clause as they thought it would stifle even the legitimate expression of opinion or action criticising a State. They emphasised that clause 5 was very different and more wide and more drastic in nature than Section 144.

The amendment was then put to vote and was lost by 53 against 31 votes. After clauses 5 and 6 were passed the House adjourned.

11th APRIL:—Mr. Joshi moved an amendment for adding a provision that protection given under the bill would not extend to the States which were not declared by the Governor-General-in-Council to possess properly constituted and representative legislature. Mr. Joshi observed that if there had been legislature in the States and if the subjects of the States enjoyed constitutional rights of ventilating their grievances, there would be no agitation in British India against the Princes. The Press will be gagged against bringing the States into contempt. But was not the

preservation of the right of the British and the European subjects not to be tried in any court in an Indian State, he asked, a standing; contempt of the administration of the States?

Messrs. *Azhar Ali* and *Shafi Daoodi* supported the amendment. Mr. *Bhupat Singh* pointed out that there were many temples in the Indian States and often the rulers of those States interfered in the cases of dispute over the funds of those temples. Unless there was a guarantee against the dissipation of the funds or there was room for agitation against that, no protection should be extended to them. After the *Home Member* had replied, the motion was negatived. Mr. *K. C. Neogy* moved for the insertion of a new clause to the effect that no Court shall take cognisance of any offence under section 2 of the Bill unless upon a complaint made by the order of or under authority from the Governor-General-in-Council or the Local Government. Sir *Harry Haig* having accepted the proposed insertion on behalf of the Government, the amendment was passed. *Raja Bahadur Krishnamachariar* by an amendment sought to delete the words "under the suzerainty of His Majesty" relating to the States in the preamble of the Bill. Sir *B. L. Mitter* replied that the phrase was not a new one. The President observed that by this phrase no right was established on behalf of the Crown nor any constitutional right of the States taken away. After Sir *Hari Singh Gour* and Messrs. *Sitakanta Mahapatra* and *Anwarul Azim* had spoken, *Raja Bahadur Krishnamachariar's* amendment was lost.

THIRD READING

After the second reading, the Bill was passed on for the third reading. Mr. *Ramkrishna Reddi* and Mr. *H. P. Mody* made speeches opposing the Bill. Mr. *Mody* characterised the provision regarding Press as an outrageous piece of legislation asked by the Government to abolish all judicial procedure in British India to substitute executive action. Mr. *Sitaram Raju* observed that geographically, economically and culturally India and British India were one unit. It was their desire that politically they should also be one but legislation of this kind prevented that. Mr. *S. C. Mitra* was opposed to every clause and the principle of the bill. Sir *Abdur Rahim* voiced a strong opposition. After Sir *Harry Haig's* reply the motion for passage of the bill was carried by 57 to 28 votes. The House then adjourned.

COTTON TEXTILE PROTECTION BILL

12th APRIL:—The Assembly met to-day for consideration of the Cotton Textile Protection Bill as amended by the Select Committee. In moving for consideration of the Bill Sir *Joseph Bhore* preferred to reserve his detailed speech for later stage.

Mr. *N. N. Anklesaria*, in moving an amendment to the Bill that it be circulated for eliciting public opinion thereon by June 30, next attacked the Government as having been dominated by Bombay millowners to the neglect of the agriculturists. Mr. *Anklesaria* denounced the Indo-Japanese agreement and the *Mody-Lees Pact*, as none of which, he said, provided an outlet for Indian cotton to the extent they should have done. He dubbed the Fiscal Commission report as *Bombay mill-owners' report*.

Dr. *Ziauddin Ahmed* made a long speech dealing with the Indo-Japanese agreement of quota system. He asserted that the best interests of the agriculturists and the consumers were not protected and complained that the textile industry was more and more hankering after protection and nobody knew when the protection would come to an end. He expressed his dissatisfaction that enough material and time had not been given to the Select Committee to all the provisions.

Sardar *Harbans Singh Brar* stressed that the interests of the agriculturists should have been better safeguarded.

Mr. *A. H. Ghuznavi* declared that any measure circulated to hit the masses and the agriculturists would be opposed by him. He criticised the Commerce Member for substituting the specific duty of Rs. 1.8 per dozen of hosiery by As. 9 per lb. and subsequently raising the duty from As 9 to As. 12 in the Select Committee. He asserted that the Indian industrialists were inefficient and could not compete with Japan. Why should then the poor consumers be deprived of the advantage of cheap price?

Mr. *S. C. Mitra*, while supporting the Bill, wanted definite information as to whether the hand-looms depended more on imported cotton yarns or on the Indian mill-made yarns. If they relied on imported yarns, the duty on the imported article should be lowered. He supported the duty on artificial silk.

After Sir Joseph Bhore's reply, the motion for circulation of the Bill was defeated by 51 votes and the motion for taking the Bill into consideration was carried.

Dr. Ziauddin Ahmed moved an amendment that 15 per cent. ad valorem duty on imported starch and farina be removed so that the cost of production of the textiles might be lowered.

Sir Joseph Bhore, opposing the amendment, said that if the duty be removed, the agriculturists would stand to lose. The motion was negatived.

Dr. Ziauddin Ahmed moved another amendment, seeking to omit the specific duty of 1 and one-fourth annas per pound on imported British cotton yarns of counts 50 and below. He argued that if the high duty be retained the hand-loom industry which relied on imported yarns would be put to hardship.

Mr. Maswood Ahmed and Mr. A. H. Ghuznavi supported, while Mr. G. Morgan opposed the amendment. The amendment was lost.

Dr. Ziauddin Ahmed's next amendment urging omission of 1-7/8 annas specific duty on non-British cotton yarns also shared the same fate. All other efforts of Mr. A. H. Ghuznavi and Dr. Ziauddin Ahmed to lower, either specific or ad valorem, or both kinds of duties on imported cotton fabrics, grey or otherwise, of British or non-British manufacture proved similarly unfruitful.

Another amendment of Dr. Ziauddin for lowering the ad valorem duty from 50 to 40 per cent and the specific duty of 4 annas per square yard to 3 annas on fabrics containing more than 80 per cent. of artificial silk of non-British manufacture was rejected after which the House adjourned till the 14th.

14th APRIL:—The interpellations over, Mr. A. H. Ghuznavi rose on a point of personal explanation and drew the attention of the Chair to the report of the proceedings issued by the "Associated Press" and published in yesterday's papers giving a wrong impression of the incident which took place on the floor of the House on April 12 last when Mr. Ghuznavi speaking on the Cotton Textile Protection Bill inadvertently passed a remark that hosiery manufacturers went to Sir Joseph Bhore's house and persuaded him to raise the duty on imported hosiery articles, which Mr. Ghuznavi at once withdrew and apologised for what he said. Mr. Ghuznavi said: "In the course of my speech on the spur of the moment, I passed certain remarks which I ought not to have done. Such insinuation against the Commerce Member was far from my mind and immediately thereafter I not only made ample amends by apologising and explaining what I meant to say, but on my own initiative I requested the President to have the remarks expunged from the minutes of the proceedings, whereupon the Chair directed to have that expunged from the report in question as it was mischievous in as much as it frustrated the purpose."

The remark being expunged, the President observed that it was the first occasion when part of a speech was ordered to be expunged. He further said that in case certain thing was expunged it was eminently desirable that the Press should not report that.

COTTON TEXTILE PROTECTION BILL. (CONT'D.)

The House then proceeded with consideration of the amendments to the Cotton Textile Bill. The House accepted Sir Coxaji Jehangir's amendment which imposes 50 per cent plus one rupee per pound on 'pojee', fifty per cent plus Rs. 1-8 per pound on 'fiji, 'boseki' and corded and fifty per cent plus Rs. 2 per pound on other sorts of fabrics containing more than ninety per cent silk including such fabrics embroidered with artificial silk. Other amendments were rejected.

When coming to the amendments to the item dealing with hosiery, Dr. Ziauddin Ahmed raised a point of order that according to Standing Orders 32, a previous decision on a particular point arrived at the same session could not be reopened. He contended that when the first Tariff Bill was passed by the House at this session it gave its verdict on import duty on hosiery and any amendment to that item would be out of order.

The Leader of the House pointed out that the schedules of the two bills were substantially changed and items could not be considered piecemeal.

The President having ruled that the schedule was quite in order, lengthy discussion followed on Mr. Ghuznavi's amendment on the hosiery item by which he wanted to reduce the duty on cotton undervests, knitted or woven from 12 As. per pound to Re. 1-8 per dozen and the duty on cotton stocks, or stockings to

8 annas per dozen of pairs which was the original rate decided in the previous tariff bill already passed at this session.

He was supported by Sir *Abdur Rahim*, Mr. *Maswood Ahmad* and Dr. *Ziauddin Ahmad*. The amendment was lost by 15 to 54 votes.

Mr. *Maswood Ahmad's* several amendments seeking reduction of duty fared the same fate. The House then adjourned till the 16th.

16th APRIL :-—After question hour in the Assembly to-day, when the discussion on levy of duties on hosiery goods was resumed, Mr. *A. H. Ghuznavi* made a strong plea on behalf of the consumers while moving an amendment seeking lower duty on lighter hosiery goods. The amendment was however lost.

Mr. *Maswood Ahmad's* amendment asking for lower duty on knitting fabrics also did not find favour with the House.

Mr. *Shafi Daoodi*, who was supported by Messrs. *Ghuznavi* and *S. C. Mitra*, in consideration of the fact that that particular article was not produced in India and that the poor masses should not be unnecessarily penalised, withdrew his amendment seeking inclusion of fleecy undervests under textile manufactures, on the assurance of Sir Joseph Bhore that Government would make inquiries if that particular class of under-vests could be treated as a separated item in customs schedule.

The Mody-Lees and the Indo-Japanese pacts were again discussed when Dr. *Ziauddin Ahmed* moved an amendment for limiting the period of protection to three years instead of five as contemplated in the Bill. Dr. *Ziauddin's* reasons for advocating a shorter period were that within three years the trade position should be reviewed according to the conditions prevailing after expiry of the agreement.

Dewan Bahadur Ramaswami Mudaliar thought even five years were too short. Sir *Abdur Rahim* and Messrs. *Gaya Prosad Singh*, *S. C. Mitra* and *N. M. Joshi* thought that three years were quite sufficient and assured the industry that there was no reason for nervousness and it should have confidence in the peoples' representatives but there must be some limit to the consumers' sacrifice. After Sir *Joseph's* reply, Dr. *Ziauddin's* amendment was defeated by 43 against 19 votes.

Mr. *K. P. Thampan* moved an amendment waiting to insert the provision for laying certain conditions under which the industries would get protection. He also wanted that the factories producing the articles protected should obtain licenses for the purpose. The object of the amendment was to prevent Managing Directors and proprietors from drawing fat dividends at the cost of the industry.

Mr. *F. E. James* raised a point of order saying that the Bill was an amending Bill. So the condition sought to be laid out was out of order. Sir *Brajendra Mitter* observed if the Bill was looked upon as a measure for amending the Tariff Act, the motion would be out of order. But if it was taken as a protective measure it would be in order. Sir *Abdur Rahim* and Mr. *K. C. Neogy* held that the measure was a protective one as evident from the title and the preamble. The *President* ruled that the amendment was in order. Thereafter Mr. *Joshi* moved an amendment urging the protection of the labour employed in those factories.

Sir *Lancelot Graham* rose on a point of order saying that the protection of labour was a wide subject and outside the scope of the Bill. He also quoted the previous ruling on a similar occasion.

Mr. *Joshi* stated that the ruling quoted by Sir *Lancelot* was revised by the Chair just a little while ago. He wondered why Government should every time take objection to the labour being protected.

The *President* held Mr. *Joshi's* ruling in order.

Mr. *Joshi* complained that the Government and the industrialists had done nothing for the education of labour in factories.

Mr. *A. G. Chow* replying sympathised with Mr. *Joshi's* object, but opposed the motion. Mr. *B. Das* and Sir *Abdur Rahim* asserted that in the best interest of the country the protection afforded to the industry should have been fully utilised. Mr. *B. Staram Raju* wanted a revision of the Companies Act.

After Sir *Joseph Bhore's* reply, Mr. *K. Thampan's* amendment was put to the vote and lost by 57 against 30 votes. The second reading of the Bill being passed, the House then adjourned till 9-15 p. m., to take up the third reading,

The third reading of the Bill was opened by Mr. *Krishnamachariar* at 9-15 p. m. The speaker pleaded strongly on behalf of cotton growers and charged Bombay mill-owners for not looking after the interests of agriculturists and labourers. He also criticised the Government for neglecting cotton growers.

Mr. Sitakant Mahapatra opposed the Bill. He observed that the Government being in the fortunate position of deriving revenues from the protection policy, did not consider the 'pros and cons' of their tariff measures which are hitting the consumers hard.

Mr. Mody, representative of the Bombay Mill-Owners' Association, in a lengthy speech contended that the protection given was not enough and hoped that the House and the Government would be more sympathetic. The Government of India had been frightened from giving more protection, because of the clamour of those who posed as representatives of agriculturists and consumers. They all forgot the abnormal circumstances created by the Japanese competition as a result of which, what was considered sufficient a few years ago, was now hopelessly inadequate. The keenness of Japanese competition was illustrated by the fact that the woollen skirt (made in Japan) was sold in London at six pence whereas the British manufacture of the same article (and Britain was the home of efficient and up-to-date woollen industry) was four shillings and eleven pence. Really, there was economic war with Japan and so the House should not grudge any further measure of protection which the Indian Mill industry needed, especially when it was remembered that sugar got 150 per cent protection and other agricultural interests obtained even higher protection.

If you want industrialisation in India protection is needed. We cannot help it, especially when there is such a serious competitor as Japan. Japanese industries have at their back their Government. Here our Government are frightened by those who pose as leaders of agriculturists and Labour. And this much despised mill industry has its great contribution in national economy. This could be best illustrated by figures for 1932 which was the year in which the industry lost much more than one crore of rupees. No less than 6 crores were spent as payments to labour, 50 lakhs on staff and 18 lakhs as dividends and managing agents received 8 and three-fourth lakhs and 7 and a half lakhs were surrendered. Mr. Joshi had referred to the housing of labourers. Was there any other centre of industry (except perhaps Jamshedpur) which had provided housing for labour? As for the managing agency system, he agreed it was not perfect and therefore welcomed Government's proposal for revision of the Companies Act. As for labour itself, Mr. Mody wished Mr. Joshi (nominated representative of Labour) had kept himself in closer touch with the conditions in Bombay. In regard to rationalisation of Labour, a committee was appointed and it produced recommendations, all of which the industry itself accepted. But labour unceremoniously rejected them.

Mr. Mody, proceeding, referred to the conditions in Japan and said that Labour there was efficient, while Indian labour was not. *Mr. Mody* also complained that Japan was sending her exports to Kutch and Kathiawar Ports and thereby the present quota, in so far as it was meant for British Indian Ports, might be nullified and the Indian Industry might be placed at the mercy of Japan.

Mr. Ranga Iyer said that Bombay Millowners were like frogs in a well, almost eaten up by their internal inefficiency and if they were to say they could carry on only with protection, then he feared there would be a revulsion of feeling in the country. Even after so many years of spoon-feeding, if the industry was to remain nothing more than a white elephant, he would say: "Down with the Bombay Millowners." Personally he did not like huge mills. He would rather prefer small factories spread all over the country to enable the villager to earn something at a time when he had no employment. India had vast resources which if developed, would make India a marvel in the industrial world. He urged on the Government industrial replanning on economic lines. *Mr. Ranga Iyer* did not like the attitude of the millowners towards hand-loomers, when they tried to cripple at every opportunity. He warned the millowners that they would have to reckon with the agriculturist and in days to come, they should so organise themselves as to meet competition from Japan and Britain on the same level.

Sir Abdur Rahim said that *Mr. Mody* had accused the Assembly for being hostile to the textile industry. The speaker challenged that statement pointing out it was the Assembly that had all along agreed to give protection. *Mr. Mody* had given figures to show the industry's contribution to national economy, but what about contribution of the public to the industry? The House was being asked to support the industry without any suggestion as to what the industry would do to improve efficiency. Until and unless such indication was given, he must oppose the Bill.

Mr. K. C. Neogy said that, while agreeing to protection, they did not stand committed to the principle of Imperial Preference introduced in the Bill. This preference would undoubtedly hit the Indian industry eventually, as had been made clear by the Tariff Board, who pointed to the effectiveness of competition by the United Kingdom. The Indo-Japanese and Indo-Lancashire agreements had drawn up three trade divisions, namely the Indian Producer, the Japanese Producer and the Lancashire Producer, shutting out other foreign countries. This would result in serious danger to the economic life of the country and make India's position in foreign markets hopeless.

Closure was applied and replying to the debate Sir *Joseph Bhore* claimed that the Bill will hold the balance fairly between conflicting interests. He was glad that there was a wholesome tendency with regard to the demands for protection with a critical eye. But they must not forget that the interests of agriculture and industry were inextricably mixed up with those of Labour. Nor should the House ignore the fact that a very large percentage of cotton cloth consumed in India came from Indian mills. Anything done to affect the industry would, therefore, recoil on Indian Labour. Similarly, in the case of the hosiery industry, to which also protection was given, they had been giving help to the small man, the cottage worker. Sir *Joseph Bhore* affirmed without fear of contradiction that they had helped the cottage worker. Referring to Mr. *Raju's* speech, Sir *Joseph Bhore* said that the machinery was set already in motion on the question of revision of the Companies Act. The Commerce Member hoped that, as a result of the forthcoming investigation, there would emerge legislation of importance to India. Regarding cotton yarn and artificial silk piecegoods and raw silk, Sir *Joseph Bhore* stated that if the duties proposed failed to achieve the object Government would have to reconsider the position. (Hear, hear.) Sir *Joseph Bhore* further stated that the Mody-Lees Agreement did not in any way exercise influence on the Indo-Japanese conversations. As for raw silk Government proposed to watch the course of the price and Sir *Joseph Bhore* added, "We shall not be justified in allowing the protection given to this industry to be defeated by still further serious lowering of prices. But the master key to permanent improvement of this industry lies in the research. Government is considering how to improve research and if Government find further research necessary I am sure we shall have the support of the Assembly." Concluding Sir *Joseph Bhore* said that economic conditions all the world over were far too disturbed to enable prophecy with any degree of confidence that the Bill would definitely result in advantage to India. But historic circumstances in which they were able to carry on friendly negotiations they had placed the interests of India first and they would pursue those interests to the best of their ability.

The Bill as amended was passed by 44 against 19 votes. The House then adjourned.

TRADE DISPUTES ACT

17th. APRIL :—After question hour, *Sir Frank Noyce* moved for consideration of the bill to extend the operation of the Trade Disputes Act of 1929, the object being to make the Act permanent which would otherwise expire on May 7. The statement of objects and reasons of the Bill said that local Governments and the bulk of non-official opinions favoured converting this Act into a permanent measure.

Mr. Abdul Matin Chowdhury opposed the Bill and referred to the agitation and opposition of the Trade Unions all over the country when the Bill was passed temporarily five years ago. *Mr. Choudhury* opined that because of many imperfections of the Bill prejudicial to the interests of labour, the more reasonable and logical course on the part of the Government would have been to amend the Bill, first, according to the requirements of the present situations, and then give it a seal of permanency.

Mr. Mody found it difficult to support the Bill. He observed that when amendments to the existing Act were to come up within a few months, it was desirable that the measure should not be made permanent before the House knew what those amendments were.

Mr. N. M. Joshi asserted that the Bill failed to safeguard the interests of labour in all matters. He compared the Act with the English Act and showed that the Indian Act was much more stringent than the other. The penal provisions, he maintained, went against the labour.

The consideration motion was, however, passed there being no amendments. The third reading of the Bill was passed without any opposition.

Sir George Schuster then moved consideration of the Sugar Excise Duty Bill. He said that the Government could not afford to lose fifty lakhs and yet maintain the financial plan of relief to the provinces. The Government would, therefore, move restoration of the duty to 1-5 per cwt., while it might be that they might get more from the sugar duty than was estimated. They might make less on the other heads. The Government had already done a great deal through the Imperial Council of Agricultural Research to promote the development of industry and give technical assistance and promote research and he announced that the scheme for setting up an Imperial Sugar Research Institute was being examined. It was hoped to take over the Harcourt Butler Institute at Cawnpore to bring the scheme to fruition. They would also collect statistics of Khandsari factories. He assured the House that the Government fully recognised their responsibility as regards agricultural and industrial sides of sugar business and would be able to give effect within a short period to the larger scheme of Sugar Research Institute.

Mr. *Ramkrishna Reddi* asserted that 'Khandsari' industry would be hard hit by the levy of this duty. Mr. *Ranga Iyer* considered that even the duty of ten annas on 'Khandsari' sugar was not justified. Mr. *Maswood Ahmed* stressed that the 'Khandsari' industry which was pursued by the agriculturists ought to be exempted from any excise duty. *Lala Hariraj Sircarop* explained that 'Khandsari' industry which is run as a cottage industry would not be affected. *Dewan Bahadur Ramaswami Mudaliar* opposed the excise duty on sugar.

After Mr. *B. Das* had spoken the closure motion was put to vote but it was rejected.

Dr. *Ziauddin Ahmed* contended that the Tariff Board's recommendation had been given effect to in the bill, so he was at a loss to understand why should there be any opposition. *Bhai Paramanand* wanted to lower the scale of the duty to be levied. After *Sir George Schuster* had replied to the debate the consideration motion was passed. There being no amendments to clause 2 it was adopted.

Mr. *James* moved an amendment to clause 3 that the duty might come into operation from August 1 next instead of from April 1. *Seth Abdoola Haroon* moved an amendment recommending that the duty be collected from May 1. Messrs. *S. C. Mitra*, *Jagannath Aggarwal* and *Maswood Ahmed* supported the motion. The amendment of Mr. *James* was lost by 51 against 34 votes. Mr. *Haroon*'s motion was also defeated. The House then adjourned.

18th. APRIL :—By 49 votes to 21, Mr. *Hardy*'s amendment restoring the excise duty of Rs. 1-5 was carried and the Assembly thereafter passed the Sugar Excise Duty Bill.

When the consideration of the Bill was resumed, Mr. *Ramkrishna Reddi* moved an amendment that the surcharge on the Sugar duty might be merged in the import duty.

Mr. *Jagannath Aggarwal* wholeheartedly supported the motion. He observed the Sugar Industry which was now enjoying protection to the extent of Rs. 9-1 per hundred weight including the surcharge found it difficult to compete with Java Sugar. The amendment was lost.

Mr. *Reddi*'s next amendment exempting the factories started and worked during 1933-34 from the proposed duty shared the same fate.

Seth Abdoola Haroon's amendment, seeking to exempt the factories for the first two seasons of their establishment and the Bihar factories affected by the earthquake till August 1, 1934 from the duties, was also negatived.

Mr. *Ramkrishna Reddi* moved another amendment seeking to provide that Keshapadsari Sugar also like Paimyra Sugar might be left untaxed pending an enquiry to decide whether it should be taxed and, if so, what should be the amount of the Excise duty.

Dr. *Ziauddin Ahmed*, Mr. *Ranga Iyer* and Mr. *Maswood Ahmed* made strong pleas on behalf of the Khandsari Industry which they stressed was an agricultural and cottage industry and should get all the sympathy and help of the Government.

Sir George Schuster, interrupting Mr. *Maswood Ahmed*, said that agricultural industry run on a cottage scale employing not more than 20 people would not be subjected to the Excise duty.

Mr. *S. C. Mitra* observed that the Khandsari industry was neither a cottage industry nor did it benefit the agriculturists directly. Of the total production of Sugar 30 per cent. were produced by Khandsar and if it was relieved of duties it would compete with the factories adversely because Khandsari produced on small

scale using manual or animal labour would not come under the operation of the Act.

The amendment was, however, defeated.

Mr. Ramkrishna Reddi's next amendment urging the reduction of duty on Khandsari Sugar from 0-10-0 to 0-1-0 annas was also lost by 48 against 22 votes.

Other amendments attempting to lower the duty were negatived.

Mr. Hardy then moved that the duty on Factory Sugar be Rs. 1-5 instead of Re. 1 per Cwt. as provided in the original Bill.

Prolonged discussion then took place on Mr. Hardy's amendment. Messrs. Aggarwal, Neogy, Satyen Mitra, Patil, Bhai Parmanand, Mudaliar and B. Das, all made speeches strongly opposing the motion. They contended that the Government would receive the revenue of 1 crore and 47 lakhs which they had estimated from Excise duty even at the lower rate of duty of Re. 1 per hundred-weight.

The motion was carried by 49 to 21 votes.

All other amendments being disposed of the second reading of the Bill was passed.

The third reading of the Bill was passed without voting at 7-30 in the evening. Lala Hariraj Swarup, Messrs. N. R. Gunjal, S. G. Jog, Dr. Ziauddin Ahmed, Mr. Ranqa Iyer and Mr. Abdulla Haroon, all made speeches urging the Government to observe carefully the results of the observation of the Act, so that Sugar Industry which had been making rapid progress, might not be hampered unnecessarily.

Sir George Schuster, replying, assured the House that the Government desired to treat the industry most fairly. They would carefully watch how the measure works. He also stated that the Government proposed to start a Central Sugar Research Institute which should prove of great use to the development of the industry. The House then adjourned.

THE SUGARCANE BILL

19th. APRIL :—The Assembly met to-day in order to dispose of the bill to regulate the price of sugarcane intended for use in sugar factories.

Mr. G. S. Bajpai moved that the Sugarcane Bill be taken into consideration. He narrated how it was complained at the Conference of Ministers that some sugar factories were paying unfair prices to sugarcane growers, and it was generally agreed that the Government of India should deal with the problem with the imposition of an excise duty on sugar. The problem had become doubly urgent and was being tackled by the Bill. He then described the provisions of the Bill and said that there should be no objection to the Bill from those sugar factories which paid a fair price for Sugarcane, but these factories which paid an unfair price did not deserve the sympathy of the House.

Sir Leslie Hudson, while according his support to the principle of the Bill, pointed out that there were certain practical difficulties which lay on the way of the application of the provisions of the Bill.

Mr. Maswood Ahmed suggested that the prices of Rub 'gur' which was used by the Khandsari industry should also be fixed by legislation.

Mr. B. V. Jadhav held that there should be co-operative societies for selling sugarcane with direct dealings with the factories.

Sir Abdur Rahim was glad that Government had at last brought forward this measure which involved a very important principle calculating to raise the price level of agricultural commodities. He thought that this would conduce to the economic development of the country. He hoped the Government would extend the principle of this Bill to other directions so that primary producers could no longer be exploited by middlemen. He asked the Government to watch how the Provincial Government carried the provisions of the measure.

The second reading being passed, Mr. Maswood Ahmed moved an amendment that the prices of cane to be fixed by local Government should be subject to the control of the Governor-General-in-Council. The amendment was accepted.

After some more amendments were disposed of the second reading of the Bill was passed.

Maulvi Shafi Daoodi then moved several amendments seeking to provide that the minimum price of sugarcane to be fixed by legislation should be eliminated.

The amendments were, however, withdrawn.

Mr. G. Morgan's amendments urging that the factories should be left free to purchase sugarcane at prices settled between them and the growers outside the controlled areas and extending the period of notice after which the Act should come into force to one month were carried.

Mr. *Maswood Ahmed's* amendment providing that the local Governments shall make rules for giving effect to the Act with the sanction of the Governor-General-in-Council was defeated by 25 against 18 votes, the Government members remaining neutral.

After Messrs. *Azhar Ali*, *N. R. Gunjal*, *N. Anklesaria*, *B. Das*, *Brijkishore* and several others had made some observations on the third reading of the Bill, it was passed by the House unanimously.

MATCHES EXCISE DUTY BILL

Sir *George Schuster* then moved for consideration of the Matches Excise Duty Bill as reported by the Select Committee. He explained the changes and modifications made by the Select Committee in the Bill. He asserted that although the measure was not at present to yield much revenue the Government hoped that, eventually when the consumption of matches would increase, it will fetch considerably more revenue than could now be anticipated. He assured that the danger apprehended that the labour would be thrown out of employment as the industry would be affected, would be adequately safeguarded against by the Government.

Mr. *Raju* also read from the Press message that the Government's final decision regarding the allegation of provincial grants depended on the passing of the Matches and the Sugar Bills.

Sir *George Schuster* said that he would make the position clear during the third reading. The discussion had not concluded when the House adjourned.

20th APRIL:—Mr. *K. C. Neogy* examined the various provisions in the Matches Excise Duty Bill to-day and opposed the principle that the States should be allowed to have a share in the proceeds of the Excise Duty. He contended that it was a novel provision which would create dangerous precedent and would create difficulties if and when the Federation comes into existence, for the Princes would then refuse to part with this source of revenue. He doubted if the method of the distribution of the proceeds was equitable.

Mr. *N. M. Joshi* felt that the excise on matches was wrong in principle as also the rate of duty which was very high.

Mr. *A. H. Ghuznavi* quoted the Simon Commission Report which recommended excise on matches.

After Sir *George Schuster's* reply the motion of consideration of the Bill was passed and there being no amendment the clauses were accepted.

Speaking on the third reading of the Bill, *Sir George Schuster* made observations on the general financial position in the light of the work done in the Assembly this session. Excepting making small changes in the rates of Excise Duties on matches, said Sir *George Schuster*, the Assembly had, in effect, accepted the principle of the Finance Bill and he therefore assured Bengal of the help already announced at the time of presenting the Budget and was not going to let Bengal down. Though the original estimates on Match Revenues would be reduced by nearly Rs. 1,20,00,000 due to the reduced rates, yet the proffered help to Bengal would stand. Regarding the issue of Banderols, *Sir George Schuster* hoped it would be done in early June and estimated the annual consumption of matches at the astronomical figure of 3,000 millions.

"Anyhow we will see that Bengal shall in effect in one form or another get full help even for this year that the Assembly intended. While as regards the future the principle of transfer is accepted and that is a thing which really matters to Bengal. The whole of this proposal is, I must request, made on a very definite condition that the Bengal Government must satisfy us that they are doing everything possible on their side to restore equilibrium. We shall take this matter up with the Bengal Government as soon as this session is over."

Mr. *B. Das*, Dr. *Ziauddin Ahmed*, Mr. *Gayaprasad Singh*, Mr. *Yaminkhan* and Mr. *Ghuznavi* also spoke. *Dewan Bahadur Mudaliar* hoped the Bengal Government would cut down expenditure. The Match Bill was then passed.

MECHANICAL LIGHTERS BILL

Sir *George Schuster* then introduced the Mechanical Lighters Bill seeking to impose Rs. 2 as Excise and Custom Duty on mechanical lighters.

When he moved the consideration of the Bill Dr. *Ziauddin Ahmed* raised a point of order whether the rules of business would be suspended on an important taxation Bill. Sir *George Schuster* said that the Bill was based on the Select

Committee's recommendation to safeguard against possible serious loss of revenue. "If any serious objection was taken to the proceeding with the measure, we feel on our side that so long as it is known by the public that the measure of this kind is in contemplation it would be quite sufficient to prevent anybody starting manufacture of mechanical lighter in this country. As for any danger of abnormal imports, we can prohibit imports, if there is a serious danger of overstocking in the market. If the Hon'ble Members feel it not fair to consider the measure at once, we are prepared to have it referred to the Select Committee or circulate it.

Mr. Bhupat Singh moved for circulation of the Bill by 31st July, 1934, but on the President's suggestion and with Sir George Schuster's approval he made its circulation by 30th June.

INDIAN ARMY ACT AMEND. BILL

Mr. G. R. F. Tottenham then introduced a Bill amending the Indian Army Act of 1911 to provide for change in the constitution of the Indian Army, because of progressive Indianisation of the defence forces of India. It was proposed to designate as Indian academy, while those known at present as Indian officers in the Act will be known as Viceroy's Commissioned officers. The House then adjourned.

FRESH LEVY ON PETROL

21st APRIL:—Discussion proceeded on the resolution of Sir Frank Noyce seeking to levy extra duty, of customs and excise, on motor spirits, of not less than two annas per gallon for the purpose of road development and civil aviation.

Dr. Ziauddin Ahmed moved several amendments. Mr. Gaya Prasad Singh wished that a substantial portion of the Road Fund be spent on roads in Bihar battered by the last earthquake.

Mr. Abdul Matin Chowdhury disagreed with some of the clauses of the resolution, specially those regarding the distribution of the proceeds of the duty. He held that Bihar and Orissa, Assam and Central Provinces, which were undeveloped in respect of roads, should get a more equitable share.

Mr. G. Morgan, supporting the resolution, observed that there should be a policy of co-ordination in the scheme of road development throughout India.

Mr. Ramkrishna Reddi moved an amendment that grants be made to the local Governments and that they should be earmarked for development of rural communications.

Mr. Sukraj Roy moved amendments that funds to be distributed among local Governments might be on the basis of area, population and stage of development reached by each unit, and that the percentage to be retained for the central reserve from duty might be sixteen instead of fifteen.

Sir Leslie Hudson moved an amendment that the percentage to be retained for the central reserve should be revised by the legislature after three years.

Mr. Satyen Mitra found fault with clause 7 of the resolution, which gave powers to local Governments subject to the previous approval of the Governor-General to spend their share on the construction of new roads and bridges of any sort. He observed that such wide powers should not be given to local Governments. As for undeveloped provinces like Assam he suggested that they should be allowed to draw on the Central reserve fund.

Devan Bahadur Ramaswami Mudaliar, Mr. Ranga Iyer, Mr. A. H. Ghuznavi, Sir Abdur Rahim and Raja Krishnamachariar made some observations on the resolution.

After Sir Frank Noyce replied to the amendments which were either withdrawn or defeated, the resolution was adopted. The House then adjourned *sine die*.

PROCEEDINGS OF PROVINCIAL COUNCILS

January—June 1934

THE BENGAL LEGISLATIVE COUNCIL

LIST OF MEMBERS

President

1 THE HON'BLE RAJA SIR MAN-MATHA NATH ROY CHOWDHURY

Deputy President

2 MR. RAZAUR RAHMAN KHAN, B.L.

Members of Executive Council

3 THE HON'BLE MR. R. N. REID, C.S.I., C.I.E., I.C.S.

4 THE HON'BLE SIR BROJENDRA LAL MITTER, K.C.S.I.

5 THE HON'BLE KHWAJA SIR NAZI-MUDDIN, K.C.I.E.

6 THE HON'BLE MR. J. A. L. SWAN, C.S.I., C.I.E., I.C.S.

Ministers

7 THE HON'BLE NAWAB K. G. M. FAROQUI, KHAN BAHADUR

8 THE HON'BLE SIR BIJOY PRASAD SINGH ROY, KT.

9 THE HON'BLE KHAN BAHADUR M. AZIZUL HAQUE

Officials (Nominated)

10 MR. G. P. HOGG

11 MR. G. S. DUTT

12 MR. D. GLADDING

13 MR. N. G. A. EDGELEY

14 MR. H. P. V. TOWNSEND

15 MR. L. R. FAWCUS

16 MR. O. M. MARTIN

17 MR. H. R. WILKINSON

18 MR. A. DE C. WILLIAMS

19 MR. B. R. SEN

20 MR. R. N. GILCHRIST

21 RAI MOHENDRA NATH GUPTA BAHADUR

22 MR. J. M. BOTTOMLEY

Non-officials (Nominated)

23 MR. S. C. MITTER

24 REV. B. A. NAG

25 RAI REBATI MOHAN SARKAR BAHADUR

26 MR. K. C. RAY CHOWDHURY

27 MAULVI LATAFAT HUSSAIN

28 MR. D. J. COHEN

29 KHAN BAHADUR MAULVI HAFIZ-ZAR RAHAMAN CHOURDHURY

30 MR. P. N. GUHA

31 MR. MUKUNDA BEHARY

32 BABU JATINDRA NATH BASU

33 MR. S. M. BOSE

34 SETH HANUMAN PROSAD PODDAR

35 RAI DR. HARIDHAN DUTT BAHADUR

36 SIR HARI SANKAR PAUL

37 DR. SIR NILRATAN SIRKAR

38 MUNINDRA DEB RAI MAHASAI

39 DR. AMULYA RATAN GHOSE

40 BABU PRAFULLA KUMAR GUHA

41 RAI JOGESW CH. SEN BAHADUR

42 RAI SATYENDRA KUMAR DAS BAHADUR

43 MR. SAILESWAR SINGH ROY

44 BABU JITENDRALAL BANNERJEE

45 MR. J. N. GUPTA

46 RAI SATYA KINKAR SAHANA BAHADUR

47 BABU HOSENI ROUT

48 MR. R. MAITI

49 RAI SAHIB SARAT CHANDRA MUKHOPADHYAYA

50 RAI SATISH CHANDRA MUKHERJI BAHADUR

51 BABU HARIBANSHA ROY

52 BABU SARAT CHANDRA MITTRA

53 MR. P. BANERJI

53 RAI DEBENDRA NATH BALLAV BAHADUR

54 MR. NARENDRA KUMAR BASU

55 SRIJUT TAJ BAHADUR SINGH

57 BABU AMULYADHAN RAY

58 BABU JATINDRA NATH ROY

52 BABU SUK LAL NAG

60 RAI KESHAB CHANDRA BANNERJI BAHADUR

61 DR. NARESH CHANDRA SEN GUPTA

62 BABU SATISH CHANDRA ROY CHOWDHURI

63 RAI SAHIB AKSHOY KUMAR SEN

64 RAI SAHIB SARAT CHANDRA BAL

65 MR. B. C. CHATTERJEE

66 BABU LALIT KUMAR BAL

67 RAI KAMINI KUMAR DAS BAHADUR

68 BABU KHETTER MOHAN RAY

69 BABU HEM CHANDRA ROY CHOURDHURY

70 BABU KISHORI MOHAN CHAUDHURY

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|-----|------------------------------|-----|------------------------------|
| 71 | BABU PREM HARI ARMA | 104 | MAULVI MUHAMMAD FAZLULLAH |
| 72 | RAI SAHIB PANCHANAN BARMAN | 105 | KHAN SAHIB MAULVI MD. BASIR- |
| 73 | BABU NAGENDRA NARAYAN RAY | | UDDIN. |
| 74 | DR. JOGENDRA CHANDRA CHAU- | 106 | KHAN BAHADUR MAULVI EMADU- |
| | DHURY | | DDIN AHMAD. |
| 75 | MR. SANTI SHEKHARESWAR RAY | 107 | MAULVI HASSAN ALI |
| 76 | MR. PROSANNA DEB RAIKAT | 108 | MR. A. F. RAHAMAN |
| 77 | MR. A. RAHEEM | 109 | KAZI EMDADUL HOQUE |
| 78 | MR. H. S. SUHRAWARDY | 110 | MR. ALTAF ALI |
| 79 | MAULVI SHAIK RAHIM BAKSH | 111 | KHAN BAHADUR MAULVI MUAZ- |
| 80 | MAULVI MUHAMMAD SULAIMAN | | ZAM ALI KHAN |
| 81 | MAULVI MUHAMMAD SAADAT- | 112 | NAWAB MUSHARRUF HOSAIN, |
| | ULLAH | | KHAN BAHADUR |
| 82 | NAWAHZADA K. M. AFZAL KHAN | 113 | MR. C. G. ASHWORTH |
| | BAHADUR | 114 | MR. W. L. ARMSTRONG |
| 83 | MAULVI ABUL KASEM | 115 | MR. A. R. E. LOCKHART |
| 84 | MAULVI ABDUL KARIM | 116 | MR. J. W. R. STEVEN |
| 85 | KHAN BAHADUR A. F. M. ABDUR- | 117 | MR. R. H. FERGUSON |
| | RAHMAN | 118 | MR. L. T. MAGUIRE |
| 86 | MAULVI ABDUS SAMAD | 119 | MR. E. T. MCCLUSKIE |
| 87 | MAULVI SYED MAJID BAKSH | 120 | RAJA BHUPENDRA NARAYAN |
| 88 | MAULVI SYED NAusher Ali | | SINGHA BAHADUR |
| 89 | MAULVI ABUL QUASEM | 121 | MR. SARAT KUMAR ROY |
| 90 | MAULVI ABDUL GHANI CHOW- | 122 | MR. ARUN CHANDRA SINGHA |
| | DHURY | 123 | KUMAR SHIB SHEKARESWAR ROY |
| 91 | MAULVI AZIZUR RAHMAN | 124 | MR. SYAMAPROSAD MOOKHERJEE |
| 92 | MAULVI NUR RAHMAN KHAN | 125 | RAI SOSANK COMAR GOSE BAHAA- |
| | EUSUFJI | | DUR |
| 93 | MAULVI ABDUL HAMID SHAH | 126 | MR. H. H. BURN |
| 94 | MAULVI ABDUL HAKIM | 127 | MR. F. T. HOMAN |
| 95 | KHAN BAHADUR MAULVI ALIM- | 128 | MR. C. R. SUMNER |
| | UZZAMAN CHAUDHURI | 129 | MR. H. BIRKMYRE |
| 96 | MAULVI TAMIZUDDIN KHAN | 130 | MR. C. C. MILLER |
| 97 | MAULVI MUHAMMAD HOSSEIN | 131 | SIR EDWARD BENTHALL |
| 98 | MR. A. K. FAZL-UL-HUQ | 132 | MR. G. A. MASON |
| 99 | MAULVI ABI ABDULLA KHAN | 133 | MR. C. G. COOPER |
| 100 | MAULVI NURAL ABSAR CHOU- | 134 | MR. C. K. NICHOLL |
| | DHURY | 135 | MR. J. B. ROSS |
| 101 | HAZI BADI AHMED CHOUDHURY | 136 | MR. H. R. NORTON |
| 102 | MAULVI SYED OSMAN HAIDAR | 137 | MR. SURENDRA NATH LAW |
| | CHAUDHURI | 138 | MAHARAJA SRIS CHANDRA NANDY |
| 103 | KHAN BAHADUR MUHAMMAD | 139 | RAI SIR BADRIDAS GOENKA BA- |
| | ABDUL MOMIN | | HADUR |
| | | 140 | MR. ANANDA MOHAN PODDAR |

Proceedings of the Council

WINTER SESSION—CALCUTTA—8th. JANUARY TO 24th. MARCH 1934

IMPROVEMENT OF ECONOMIC CONDITIONS

The Winter Session of the Bengal Legislative Council commenced at Calcutta on the 8th. January 1934. A resolution urging the Government to take immediate steps for the economic condition of the province was the first item on the agenda of the Council. The House discussed the resolution for nearly three hours and while the majority of non-officials congratulated the Government on the steps already taken in this direction, one of the members accused them of indifference. This evoked a reply from the *Finance Member* who asserted that the Government were deeply interested in the improvement of the economic condition of the province. The chief problem was that of raising prices. But the difficulty came in as to how to do it. He, however, warned the House against hasty and ill-conceived action.

Sir P. C. Mitter, Leader of the House, appealed for patience and said that it was only by common effort and whole-hearted cooperation that this baffling problem could be solved. In view of the assurance given by the Government the resolution was withdrawn. The House then adjourned.

BENGAL MAHOMEDAN MARRIAGES AMEND. BILL

9th. JANUARY :—The Council took up official business to-day. Hon. *Khwaja Nazimuddin* introduced a Bill to amend the Bengal Mahomedan Marriages and Divorces Registration Act of 1876. The Bill, which was referred to a select committee, sought to remedy certain disabilities under the existing Act. Under the law as it stands, the Mahomedan Marriage Registrar is not empowered to register a class of divorce in which the wife effects a divorce in accordance with the authority conferred upon her by her husband as a condition of the marriage. This omission, according to Mr. Nazimuddin, had been regarded as a grievance.

BENGAL PUBLIC DEMANDS' RECOVERY AMEND. BILL

The Council then passed, without discussion, the Bengal Public Demands Recovery (Amendment) Bill introduced by Sir *Provash Chandra Mittra*. The mover observed that the Bill sought to avoid the delay and extra-work involved in the execution of a certificate in a district other than that in which it was filed. In order to attain this object, the Bill proposed to empower certificate officers to transfer copies of certificates for execution direct to the sub-divisional officers in other districts, instead of to the headquarters.

FIRE BRIGADE BILL

Sir *BJoy Prasad Singh Roy*, Minister for Local Self-Government, then introduced the Bill known as the Licensed Warehouse and Fire Brigade (Amendment) Bill. Sir *BJoy* explained that the intention of the framers of the original Act of 1893 was that half the cost of the fire brigade should be borne by the general tax payers and the other half by the special interest protected by the fire brigade. The fees levied under the Act showed a progressive decline, although the cost of maintaining the fire brigade had gone up. ‘It has become apparent’, said the mover, ‘that until the maximum limit prescribed for licence fees in the Act is raised from Rs. 750 to Rs. 1,500, it will not be possible to realise half the cost from such fees as originally contemplated’.

The Council, without discussion, agreed to the introduction of the Bill and passed it.

ALLUVIAL LANDS BILL

The Council referred to a select committee *Sir P. C. Mitter's Alluvial Land Bill*. The existing Act does not provide clearly for the procedure to be followed where an alluvial formation attached by the Collector of one district is subsequently found on survey to belong to a neighbouring district as, for instance, by a change in

the course of the main stream, while proceedings are pending. Any person claiming any right to land, however vague or unfounded, can under the present law insist on being made a party. According to Sir Provash the Act did not also fix a time limit within which such a claim might be made.

SMALL CAUSE COURTS BILL

Mr. Edgeley, on behalf of Mr. Reid, moved for reference to a Select Committee of the Presidency Small Cause Courts Bill. He recalled the Bengal Retrenchment Committee's observation that, although in mofussil courts all applications must be stamped in accordance with the fixed scale of fees, no court fee was charged in the Calcutta Small Cause Courts, for certain classes of applications. The Retrenchment Committee had observed that there was "no reason why litigants in Calcutta should be in a privileged position in this respect". It was also found that certain other anomalies also existed. To remove these, the present Bill was being introduced. The motion, which evoked keen discussion, was put and agreed to.

SMUGGLING OF ARMS BILL

After passing a number of other official Bills, the Council took up the Bengal Smuggling of Arms Bill.

Mr. G. P. Hogg, Chief Secretary, moving the Bill in the unavoidable absence of the Member-in-charge explained the objects which led the Government to introduce the measure. He reminded the House that in recent times, smuggling of arms had been reported from various parts of Bengal. This Bill proposed to catch the middle men and those who acted as go between. Everybody would agree, said the Chief Secretary, that the smuggling of arms should be prevented. He continued that the present Bill was only the logical extension of the Goondas Bill, which had been passed by the Council without a division and which had since proved to be an unqualified boon to the citizens of Calcutta. Mr. Hogg drew the attention of the members to the mail robberies and dacoities and said that if they wanted to put an end to these, they should go and attack the problem at its very root.

Mr. Shanti Shekareswar Roy, opposing the reference of the Bill to a Select Committee, characterised the Bill as needless and unjustified. In his opinion, no case had been made out, because actual smuggling had not been proved. He declared that such arms as were used were probably stolen from or lent by licensees of fire-arms. He charged the Government with playing to the whims of British merchants. The speaker pointed out that sufficient powers were already possessed by the Government. Why should not they use those powers instead of coming to the Legislature to forge one more superfluous measure? He was not a terrorist, nor did he sympathise with terrorists, but still he felt called upon to oppose the Bill.

10th. JANUARY :—Mr. P. Banerjee, opposing the Bill, told the Government to lift the ban on fire-arms. He would assure them that, in that case, there was not likely to be any mail or other robbery. He caused considerable laughter when he declared that Europeans should be held responsible for the assassinations that were taking place, because the "fire-arms" with which these assassinations took place had been stolen from Europeans."

Mr. C. C. Miller appealed to the members to realise the implications of the Bill before they opposed it. The Bill was aimed at foreign sailors who did not scruple to pass arms for securing some profit and commission. He thought that the punishment provided for in the Bill erred on the side of leniency. He would have a more severe punishment meted out to smugglers. Justice and fairplay were good words, so far as they went, but they should not prevent them from looking at the Bill in a dispassionate manner. Mr. Miller said that the Goonda was a man of honour, compared with the "pistol pimp" meaning the dealer in illicit arms.

Khan Bahadur Azizul Haque, supporting the measure, declared that it was not necessary for the purposes of the Bill that murder should be rampant. A single case of murder was sufficient to justify the Bill.

The Chief Secretary, Mr. G. P. Hoog, replying to the debate, was thankful for the large measure of support the Bill had received. He declared that eighty per cent of the murders were committed with the aid of smuggled arms.

The Council agreed to refer the Bill to a Committee without a division.

The Council then considered two other Bills, namely, the *Bengal Nurses Bill* and the *Bengal Non-Agricultural Lands Rent Amendment Bill* sponsored by Mr. Reid and Sir Provash Mitter respectively. The Council then adjourned till the 22nd.

22nd. JANUARY :—The report of the Select Committee on the Smuggling of Arms Bill was presented in the Council to-day. On the motion of the Finance Member, the Council sanctioned to-day expenditure incurred in 1931-32 of a sum of Rs. 2,137 and Rs. 42,132, on posting a military force and the construction of temporary military barracks, etc., at Chittagong.

BENGAL CESS AMENDMENT BILL

The Council then proceeded to discuss the Bengal Cess (Amendment) Bill as reported by the Select Committee. Sir P. C. Mitter was in charge of the Bill and according to the statement of objects and reasons the Bill sought to remove the various anomalies in the existing Acts passed in 1880 and to adopt the method for revaluation as agreed upon at the conferences held for this purpose. It also aimed at facilitating the collection of cess of rent-free lands and at giving a rebate to holders of estates who pay their cess punctually. Of the sixteen clauses the Council had disposed of thirteen clauses of the Bill and had not finished when it adjourned.

23rd. JANUARY :—The whole of the sitting of the Council to-day was devoted to a further consideration of the Bill. Barring one clause the House had practically disposed of the other clauses of the bill, the progress of which was facilitated by reason of a compromise effected between the contending groups and the Hon. Member in Charge (Sir P. C. Mitter) in connection with the question of determination of acreage rate.

24th. JANUARY :—On the motion of Sir Provash Ch. Mitter, Revenue Member, the Bengal Cess (Amendment) Bill was passed at the Council to-day with certain modifications. During the consideration stage of the bill, a lively debate took place over the proposal embodied in the bill granting a certain amount of rebate for punctual payment of road cess and public works cess. The Praja Party moved for the deletion of the clause and was supported by Mr. W. H. Thompson, Leader of the British Group. The principal ground for deleting the clause was that cess was a public demand which required no rebate to be granted and if the five per cent rebate was granted it would take away about Rs. 4 lakhs of rupees from the entire cess which belonged to the District Boards of Bengal.

The Zeminder members of the House, on the other hand, wanted the percentage of cess to be increased and they complained that the duty of collection of cess had been unjustly cast upon them.

Sir P. C. Mitter, in reply, pointed out that this money would not come to the coffers of the government whose sole desire was to see that justice was done to all concerned. He was satisfied that 5 per cent rebate was a fair proposal and asked the House to remove the false impression that zemindars of Bengal were rich people. This grant of rebate was not to be regarded as a remuneration but as part of the loss which they were trying to recoup by spurring up collections.

The motion for deletion of the clause was lost by 67 votes to 29.

The clause in the bill, which was substituted by the Select Committee and eventually accepted by the House ran as follows :—

“A rebate of five per centum of the amount payable as instalment of road cess and public works cess in respect of any estate or tenure or the interest of a cultivating raiyat shall be allowed at the time of payment, provided (1) that the instalment is paid in full at one time on or before the due date and (2) the annual cess payable in respect of the estate, tenure or interest amounts to Rs. 50 or more.”

The House then adjourned till the 31st. January.

Bengal Criminal Law Amend. Bill*

31st. JANUARY :—The Hon'ble Mr. Reid moved to-day for the reference of the Anti-Terrorist Bill to a Select Committee of thirteen members, including himself. Mr. P.

*The statement of objects and reasons says: “The Bill seeks to supplement the existing criminal law so as to enable the local Government to grapple more effectively with the terrorist movement. Some of the clauses are of a deterrent nature, but most are preventive and are the outcome of an endeavour to prevent the recruiting

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Banerjee, moving that the Bill be circulated for eliciting public opinion thereon by the 30th June 1934, examined the Home Member's arguments. Mr. Banerjee declared that after Mr. Reid's speech, he had been convinced that there was no necessity for the Bill. Continuing, Mr. Banerjee observed : "You have for the past thirty years assumed all kinds of special powers and still the terrorist movement exists and thrives". In his opinion, therefore, what was wanted to counteract terrorism was not a Bill of this kind, but they should go to the root of the problem and humanise the administration. They must cure the disease instead of attacking the diseased man. Mr. Banerjee charged the Government with exciting people to go off their heads.

The President : Do you suggest that the Government abet murderers ?

Mr. Banerjee : No, Sir. I say that the Government policy is responsible for the undesirable state of things referred to by the Hon'ble Member.

of young persons to the movement and to enlist the assistance of parents and guardians in saving those for whom they are responsible from being debauched by the terrorist groups.

"It is proposed to provide the penalty of death for certain offences under the Indian Arms Act of 1878 and the Explosive Substances Act of 1908, to make certain additions to the cases in which security can be demanded and the security of Press can be declared forfeited under the Indian Press Act, to prohibit the publication of information notified by the local Government as tending to create an atmosphere favourable to recruitment to the terrorist movement ; to make the Bengal Criminal Law Amendment Acts of 1925 and 1930 permanent ; to make provision for the dictation of evidence by Commissioners appointed under the Bengal Criminal Law Amendment Act 1925 and Special Magistrates under the Bengal Suppression of Terrorist Outrages Act, 1922 ; to shorten the procedure in trials before Special Tribunals where absconders who might have been tried jointly with others are apprehended during the process of a trial or after its conclusion ; to empower District Magistrates to restrain the movements of persons under the age of 21 years found consorting with terrorist suspects ; to penalise the possession of certain classes of literature ; and to empower District Magistrates to restrict the activities of associations which encourage the commission of crimes of violence or intimidation.

Clause 3 of the Bill proposes to inflict death sentences for manufacture, conversion or sale of arms, ammunition or military stores but this will be confined to offences committed in circumstances indicating that the offenders intended to use the arms for the commission of murder or abetment or knew it likely that the arms would be so used. The necessity for this provision will be found in the fact that several cases of countrymade arms by terrorists have recently come to the notice of Government.

Dealing with the Press the statement says that since the passing of the Press Act of 1931, direct encouragement of murder or violence has perforce been abandoned, but recourse is still freely had to indirect methods such as the expression of undue concern and sympathy for detenus in the Detention Camps and convicts in the Andaman Islands, commemoration of terrorist convicts and detenus, and the publication of laudatory accounts of revolutionary movements in other countries, all of which are bound to have the effect of putting revolutionary ideas into the susceptible minds of the young.

Reason for making B. C. L. R. Acts of 1925 and 1930 permanent whose life was fixed at ten and five years respectively the statement goes on that experience has shown that there is not the smallest doubt that temporary legislation keeps alive the hope in the minds of those concerned in the revolutionary conspiracy that Government will before long be deprived of the power to continue against them the special measures which they from time to time put in force.

As for the clause dealing with the dictation of evidence, it is stated that the object is to lighten the work of the Commissioners who usually have to handle voluminous evidence and thereby speed up the trial.

The Bill also gives power to District Magistrates to take action without reference to local Government, but after consultation, where practicable, with parents or guardians. The provision relating to parents etc. has been introduced with the definite aim of securing the support of those who are anxious to save their children from corruption. There is also a clause in the Bill which makes a person liable to imprisonment for three years and fine if he has in his possession any newspaper, book or other document which had been prohibited under the Sea Customs Act, declared forfeited to the Government etc.

Mr. Banerjee characterised the sections directed against newspapers as dictated by a desire to suppress publication of honest news. The truth was the Administration was a failure and stood self-condemned.

Mr. Narendra Kumar Basu moved for eliciting public opinion before 1st April. He observed that in the name of law and order, illegalities were committed and reminded the official benches that the interest of law and order were dear to his side of the House also. He referred to the sympathetic handling of the economic side of the problem by the Viceroy and the Governor, but declared that constitutional government was the only cure. But did the White Paper help to create a healthy state of affairs? He was afraid not. Mr. Basu asked if the Government had been able to deal with the terrorist problem, although they had armed themselves with extraordinary powers. Was there an instance of Government actually preventing one terrorist outrage? In India, terrorism was a recent movement, but in other countries, it was in existence for a longer period. Was there any instance of any legislature in any country vesting extraordinary powers of this character in the Executive?

Mr. Basu examined the clause relating to death sentence and averred that the clause tended to be unduly severe, for it did not say that the Courts "may sentence an accused to death" but stated that the Court "shall sentence an accused to death". This, in Mr. Basu's opinion, sought to deprive the Judiciary of its discretion and right. Mr. Basu characterised the measure as a piece of panicky legislation. Such provisions, as the Bill bristled with, were not going to be helpful to India on her march to constitutional progress.

Mr. K. M. Roy and Mr. Kamini Kumar Das supported circulation of the Bill.

Although he subscribed to the principle of the Bill, Mr. A. K. Fazl-ul-Haq supported Mr. Basu's motion and declared that some of the provisions were so drastic as to need complete modification. Gentlemen of the Treasury benches should change their perspective. Mr. Fazl-ul-Haq asked what with the already heavy armoury of the Government Mr. Reid had been able to achieve. Some of the provisions were very drastic. Drastic provisions always failed. The Law of Evidence was sought to be set at nought by the Bill. Who were to constitute the special benches? The Deputy Magistrates who were henchmen of the Government? Amidst cries of "Hear, hear" Mr. Haq asked why the Select Committee had not been composed of all the Rai Bahadurs and Khan Bahadurs of the Council. (Laughter.) He thought that some kind of legislation was called for, but a Bill of the kind introduced by Mr. Reid was uncalled for, unjustified and improper. "Consult public opinion", said Mr. Haq "and you will not lose by it". He added: "Is it for the purpose of getting Bills of this description passed, that you have extended the life of this council?

Mr. W. H. Thompson considered that no useful purpose would be served by eliciting public opinion. Terrorism stared them in the face and every reasonable person agreed that it should be tackled. Every moment lost was a moment gained by the terrorists. He would, therefore, oppose the motion.

Dr. Naresh Chandra Sen Gupta asked if it was meant that the Hon'ble Member were to enter the Council only to nod assent to Government behests? In his opinion, it did not follow that because a person was anti-terrorist, he should necessarily walk into the official parlour. As one who had practised the law for the last thirty years it struck him that the Bill was an outrage on cherished rights. He was half inclined to oppose the Bill. He ridiculed the proposed Tribunals. Dr. Sen Gupta characterised, as an insult to the profession of journalism in the country, the provision to control news. "It is an attempt to compel newspapers to support the Government", declared Dr. Sen Gupta,

Mr. Shanti Shekharwar Ray observed that the passage of the Bill through the Council would create unhealthy repercussions, and would strengthen the hands of reactionaries who were against transference of Law and Order to popular control. He charged the Government with playing deliberately into the hands of reactionaries, both in India and in England.

1st FEBRUARY:—The Raja Saheb of Nashipur, although a supporter of the Bill, attacked some of its provisions. The clauses relating to newspapers and those providing for capital punishment were characterised by the Raja as bordering on undue severity. He pleaded for the reference of the Bill to a Select Committee, where he had no doubt it would be shorn of its objectionable features.

Mr. Abdul Momin, claiming to represent the united Moslem voice of Bengal, repudiated Mr. A. K. Fazl-ul-Haq's view on the matter. Mr. Momin admitted that some of the clauses of the Bill, as pointed out by the Raja of Nashipur, were retrograde, and should be modified in the Select Committee. He defended the Judicial and Magisterial services against what he called unbecoming attacks on them.

Khan Bahadur Nawab Mosharuff Hossain, ex-Minister, on the other hand, wanted the Bill to be referred to public opinion.

Mr. Azizul Haque asked whether it was intended to let the orgy of murder to continue by circulating the Bill to elicit public opinion. Mr. Haque contended that the Bill was necessary and inevitable.

M. Cooper and Mr. C. C. Millar wholeheartedly supported the Bill without reservations, for it should be the primary concern of every Government and legislature to protect the interests of law and order. The former condemned the Opposition for their "delaying tactics".

Mr. Shyamaprasad Mukherjee led the attack against the Bill in a powerful speech. Mr. Mukherjee condemned the tactics of the supporters of the Bill in its present form. Were they actuated by their own interests or by the interests of the children of the soil? He took leave to say that the interests of the children of the soil were involved. If that was so, why should not they, he asked, oppose a Bill which was retrograde in character and which was calculated to deprive them of civic rights in the name of suppressing terrorism? He instanced clause 35, which, in his opinion, was most reckless, and was an unabashed attack on public liberties, because it gave the Bureaucracy the right to condemn a man for possessing any literature, not actually condemned or banned, but which "might be condemned". Mr. Mukherjee made a rapid survey of the whole Bill in some of its essential features, and declared that the provisions were so drafted as to bring into the clutches of the law not terrorists, but peaceful citizens. Mr. Mukherjee denied that the Press was organising an atmosphere favourable to terrorists. "Why were the Government so nervous?" asked the speaker. He added that it was unbecoming of the Government, to seek to suppress the publication of public grievances. The Bill was objectionable because it gave power to the Government to decide what news should and what news should not be published in newspapers. Mr. Mukherjee characterised as dangerous and unprecedented some of the provisions whose objects, in his opinion, were to deprive people of their legitimate right as regards trial.

Mr. R. Maiti supported the Bill subject to reservations. Mr. Maiti could not subscribe to the principle that because a man absconded, that act constituted evidence of his guilt leading to his conviction. He pleaded for the dropping of the clauses against newspapers on the ground that if that clause formed part of the Bill, the public would be compelled to remain in the dark as to the happenings in the world. He urged the Government to accept the motion for circulation.

Prof. Jitendralal Banerjee mainly directed his attacks against Mr. A. K. Fazlul Haque, though turned out of office as Minister by verdict of public opinion and by the verdict of legislature had stuck to his Ministerial chair for six months thereafter. Did it lie in Mr. Haque's mouth to say that the Government should be guided by public opinion? Continuing Mr. J. L. Banerjee asserted that terrorism was a reality. The speaker had no patience with those who suggested that terrorism could not be stamped out. Perhaps, the law could not root out the terrorist mentality, but it certainly would uproot terrorist activities. If the latter object were achieved, the Government would have achieved the purpose of the Bill, for it aimed at suppressing terrorist activity and making it impossible.

Winding up the debate. Mr. Reid, Home Member, claimed that no case had been made out for circulation of the Bill. He repudiated the suggestion that the Government wanted to control the publication of honest news. The Home Member denied that the Government were actuated by any motive other than to suppress terrorism. After examining various allegations made on the floor of the House about the severity of certain clauses in the Bill. Mr. Reid repeated the assurance he had made while making his motion and promised that the Government would carefully consider any proposal in the Select Committee for modification of the Bill. He emphasised that the situation demanded a Bill of this kind. They had to suppress terrorist activities. The Home Member appealed to the House to protect the lives and properties of peaceful citizens. He claimed that he had made out a complete case.

The Council, by a majority, rejected Mr. P. Banerjee's and Mr. N. K. Basu's amendments. The House then passed the original motion, and referred the Bill to a Select Committee and then adjourned till 5th February.

CASH CREDIT TO AID INDUSTRIES

5th, FEBRUARY. :—At the instance of *Nawab K. G. M. Faroqui*, Minister for Industries and Agriculture, the Council urged the Government to undertake the liability involved in the guarantee of cash credit with banks in accordance with the provisions of the Bengal State Aid to the Industries Act, to the extent of Rs. 50,000. The idea behind this form of State aid, the Minister said, was to enable bona fide industrialists or small industrial concerns to tide over temporary financial difficulties by guaranteeing their overdraft from a recognised bank.

A non-official attempt to amend the existing Standing Orders with a view to over-riding the precedence of ballot in the matter of non-official resolutions, fell through in the Council to-day.

CALCUTTA PORT TRUST AMEND BILL*

On the motion of the Finance Member, the Council to-day passed the Calcutta Port (Amendment) Bill 1934, the object of which was inter alia to validate the withdrawal hitherto made of certified excess in the sinking fund, and also to permit such withdrawals so as to place the legal position in this connection beyond doubt.

BENGAL WATER WAYS BILL.

Sir A. K. Ghuznavi then presented the report of the Select Committee on the Bengal Waterways Bill. Moving that the bill be recommitted to the Select Committee, *Dr. N. C. Sen-Gupta* said that the problem which the bill sought to tackle was more than any other problem of vital importance to the life of the bill. The question of dead and dying rivers was of vast importance to the people, but it appeared that question had not received adequate consideration in this measure. This bill only sought to create a Waterways Board to which would be entrusted not the whole work of making a comprehensive scheme but the duty of keeping open the waterways for the purpose of navigation. That was not the way in which the problem had got to be solved. What was required was a scientific investigation of the water resources but that had not been done in this bill. In addition they had got to thrash out the financial aspect of the matter in the Select Committee and that too had not been done. The debate had not concluded when the Council adjourned.

6th, FEBRUARY: —Moving the recommittal of the Bill to a select committee, *Mr. W. S. Thompson* said that the speech of *Sir A. K. Ghuznavi*, Irrigation Member, asking the House to consider the report of the committee had left the impression that financial proposals might be taken into consideration any time, and that it was the wish of the Committee that the Bill should be passed as it was.

Sir A. K. Ghuznavi replying, expressed surprise and amazement at the tone of *Mr. Thompson's* speech which reminded him of the days when no epithet was considered too bad to be applied to Government members especially Ministers. *Sir A. K. Ghuznavi* denied the charge of misrepresentation of the intention of the select committee, and said that the members of the committee were in the House and they would bear him out when he said that the select committee would not unavoidably delay the passage of the Bill. He claimed to have done nothing against the behests of the select committee, and denied all the allegations made.

The motion of *Mr. Thompson* for recommittal was lost without a division. The House similarly negatived the motion of *Dr. N. C. Sengupta* for recommittal with instructions to report by June 30. During the consideration stage the House rejected the motions of *Mr. N. K. Basu* and *Dr. N. C. Sengupta* substantial majority for exclusion of the Chairman of the Post Commissioners and inclusion of the Director of Public Health, Bengal on the proposed Board.

7th, FEBRUARY: —The Council accepted the principle enunciated by the Hon. *Sir A. K. Ghuznavi* that "statutory racial discrimination is objectionable in a matter governed by the members of the Legislative Council."

The point arose in connexion with the resumed discussion of the Bengal Waterways Bill relating to the constitution of the proposed Waterways Board. The original bill provided that one Muslim and one non-Muslim member of the legislature would represent the House on the Board. The Select Committee altered this provision stating that the Board would have "two Indian members of the Bengal Council of whom one shall be a Muslim and the other a non-Muslim."

Sir A. K. Ghuznavi moved an amendment substituting the clause of the Select Committee by the simple provision that the Board would have "two members of the Bengal Council", while in another amendment Mr. N. K. Basu wanted that the legislature would be represented on the Board "by two Indian members of the Council." Mr. Basu, in commending his amendment to the acceptance of the House, said that the Hon. member's present move was to placate the Bengal Chamber of Commerce. They had enough of European representation in this Board and it was only proper that representatives of the Council should be Indians.

The House defeated the amendment of Mr. Basu seeking to restrict the election to Indian members by 64 votes to 11 and accepted the amendment of Sir A. K. Ghuznavi by 60 votes to 8 which threw open the election to all members of the Council.

8th FEBRUARY:—Rapid progress was made when the House resumed discussion of the Bill and adopted 33 clauses with minor modifications, disposing of 159 amendments out of 337.

The House adopted the clause in the bill relating to the constitution of the proposed Waterways Board whose function would be to see to the maintenance and improvement of waterways in Bengal for purposes of navigation. Twelve Trustees will constitute the Board, including the Chairman of the Port Commissioners, a member of the Bengal Chamber of Commerce, two persons representing the interests of the Indian Mercantile community, two members of the Council, two representatives of the District Boards, three persons to be appointed by the local Government, of whom one shall be representative of the interests of persons carrying on the business of transport by water, and a Chairman. The first Chairman will be appointed by the local government by notification and subsequent Chairmen after consultation with the Board. The term of appointment of the Chairman will be for a period of three years and the post carries a salary not exceeding Rs. 2,500 per month.

An attempt was made by several *non-official members* to reduce the salary of the Chairman to Rs. 2,000 but the Council turned down the proposal.

By two amendments with regard to the constitution of the Board, Mr. N. K. Basu wanted to make it obligatory upon the Government not to nominate officials and also to delete the provision requiring Government to nominate a person representing the interests of persons carrying on the business of transport by water. Mr. Basu regarded these amendments an "acid test". In his attitude to these amendments Mr. Basu would judge whether the Hon. member was really bringing swaraj in the matter of waterways or he was going to deliver himself tied hand and foot into the hands of the Europeans and Officials.

Mr. C. C. Sumner remarked that the proposed Board should include expert experience on matters regarding river conditions and such experts might be found in the services of the Indian Navigation Company. To deliberately exclude them from the proposed Board in his opinion would be unwise.

The Hon. Sir A. K. Ghuznavi in reply said that in all his life he had not as yet conciliated anybody except God and he was not going to deviate from the policy in the future. He had not tried to please anybody and had not also played to the gallery. He opposed the amendments which were lost by overwhelming majority.

BENGAL CR. LAW AMEND. BILL—SEL. COMM. REPORT

13th FEBRUARY:—The report of the Select Committee on the Bengal Criminal Law Amendment Bill, 1934 was presented by the Home Member to the Council to-day.

The Committee has restricted cases in which death penalty can be imposed by the Commissioners for certain offences under the Arms Act.

The Committee make an important change in clause 19, making it obligatory on the Government, to pay allowances to the dependents of the detenu, provided the allowance does not exceed the amount the detenu himself would have been able to contribute had he not been restrained.

The Committee has also provided a safeguard regarding the penalty for possession of objectionable literature by which a casual or bona fide possessor of such things would not come within the scope of the Bill if he could prove that the possession was not for inciting murder or for directly or indirectly expressing approval or admiration of such an offence.

The Committee has also added a provision in the preamble, making it specially clear that the Bill is intended to deal "more effectively with the terrorist movement in Bengal."

MR. BASU'S DISSENTING MINUTE

Mr. N. K. Basu, the only dissenting member, says that the death penalty is indefensible. The clause dealing with the Press, he says, is unprecedented even in Press legislation in India, and is calculated to hamper the legitimate activities of the Press. While acknowledging that several improvements have been made in the Bill by the Committee, he finds still many objectionable features in it and he cannot agree with the Committee's recommendation that the Bill be passed.

BENGAL WATERWAYS BILL (CONT'D.)

The Council adjourned after a discussion of further amendments to the Waterways Bill.

14th. FEBRUARY:—Charges of playing tactics and tricks were levelled at the Irrigation Member by the Leader of the European Group and other Oppositionists when the Council resumed discussion of the Bill to-day.

The debate centred round the contribution of the Government for the first five years to the proposed Waterways Board. The original Bill provided Rs. 2,31,000 which was increased to Rs. 5 lakhs by the Select Committee. There were two amendments, one by Mr. Satyakinkar Sahana, reducing the grant to Rs. 2 and a half lakhs yearly, and another by the Irrigation Member reducing it to Rs. 2,31,000.

The acceptance by the Irrigation Member of Mr. Sahana's amendment took the House by surprise.

Before there could be any discussion, the President put the amendment to vote which was carried by 48 to 41 votes.

Thus defeated, the non-officials opposed the adoption of the clause as amended. Various charges were made against the Member-in-charge.

Denying the charges levelled against him, Sir A. Ghuznavi, Irrigation Member, maintained that the Government followed precisely the recommendation of the Expert Committee and had in no way deviated from the recommendation of the Select Committee.

After much discussion, Mr. W. S. Thompson, Leader, European Group, moved an amendment, with a view to smoothing down matters, adding a proviso to the clause, that on the representation of the Board or otherwise, the Government might raise the amount of contribution.

The clause thus amended was carried by 64 votes to 12.

15th. FEBRUARY:—Moving the final reading of the Waterways Bill in the Council to-day, Sir A. K. Ghuznavi congratulated the House. For the first time, a machinery had been evolved by the Government which would look to the well-being of the rural population and consult local opinion, local needs and local interests.

THE CATTLE TRESPASS BILL

The *Cattle Trespass Bill*, which was introduced to-day by the *Home Member*, empowered the Magistrate of the district to appoint Presidents of Union Boards to conduct sales of impounded cattle.

THE ARMS SMUGGLING BILL (CONT'D.)

The discussion of the Arms Smuggling Bill was then resumed. The first five clauses were passed without discussion.

Mr. P. Banerjee moved that for clause 6 (2), including proviso (a) (b) and (c), the following be substituted, namely : "The Judges shall consider the report and other facts of the circumstances, if any adduced before them by the local Government in open court, giving the person or persons against whom a report has been made, an opportunity to defend himself or themselves by a pleader and to adduce

any evidence that may be necessary in this behalf. The advising Judges shall be bound to observe the rules of evidence".

The mover maintained that the fact of the existence of the Goonda Act in similar wording was no justification for placing on the statute book a piece of legislation which sought to deprive the accused person of his natural liberty to defend himself, to rebut any evidence against him and to adduce such evidence of his own as he thought necessary to prove his innocence of the charges levelled against him. The speaker could not see any reason why the Government should seek to deprive any accused of his right to open trial.

Mr. R. N. Reid, Home Member, opposed the amendment. He pointed out that the question had been fully thrashed out by the select committee which had brought out a unanimous report.

The motion was negatived without a division. Clause 6 was then made part of the Bill.

Mr. G. P. Hogg, Chief Secretary, moved that after clause 7 (2), which gave the Government the right to extern suspected and offending persons, it be added, "provided that the Local Government may, at any time, cancel or suspend such orders or reduce the period for which the said person is required to leave Bengal or the notified area". The amendment was put and agreed to.

Other clauses of the Bill were agreed to without any discussion.

Mr. Shanti Shekareswar Roy opposed the passage of the Bill. He maintained that the provisions were so vague as to create complications. In justification of his assertion, he recalled the Chief Secretary's own amendment which the Government themselves thought it necessary to introduce so as to remove obvious injustice. The speaker condemned the provisions relating to custody and said that the clause was vaguely worded. "Do you mean" Mr. Roy asked "police custody or jail custody? An accused person cannot normally be kept in police custody beyond a certain time. This section leaves the position dangerously vague and undefined". Mr. Roy, concluding, regretted that the Government had not justified the introduction of the Bill much less its passage.

Mr. Reid defended the Bill, which was passed without a division.

The Council then adjourned till the 19th.

BENGAL WAKF BILL

19th FEBRUARY :—The House devoted the whole day to the consideration of the Bengal Wakf Bill reported by the Select Committee.

Moving that the report be taken into consideration, Maulvi Abdul Gani Chowdhury said that mismanagement of wakfs had proved to be a public scandal and there was no doubt that it contributed to the deplorable poverty, illiteracy and ill-health of the Muslim population, particularly of the Muslim middle-class of Bengal. The wakf properties in Bengal formed the most important source of wealth created for manifold charities and for the welfare of the Muslim community, and the bill contemplated to regulate the use of wakf incomes to legitimate purposes and proposed to set up a machinery with this object in view.

This is a provision in the bill dealing with the annual levy on all wakfs and providing for an annual contribution of two and a half per centum on the gross income in the case of private wakfs. The proposed machinery will be run by the Commissioner of Wakfs exercising the administrative and executive authority with the help of a Board who will act largely in the advisory capacity. Judicial proceedings in the case of wakfs will in future be taken by a judge sitting with two Musalman jurors.

During the consideration stage the House, by 38 to 20 votes, accepted an amendment of Khan Bahadur Abdul Momin that this "Act" would not apply to the Dawoodi Bohra community. Government members did not participate in the division.

20th FEBRUARY :—The constitution of the proposed Board for the proper administration of the Wakf property was settled in the Council to-day.

For the first three years the "Board of Wakfs" shall consist of the Commissioner as President, five members to be appointed by the Government, of whom one shall be a Shia and only one shall be a mutwalli, and two members to be elected by the Bengal Council from among the members of the legislature.

The House negatived the amendment of Dr. N. C. Sen-Gupta to take away the power of the Board with the sanction of the Government to exclude wakfs from the operation of the measure.

Rai Bahadur Dr. Haridhone Dutt championed the cause of Shia community and asked for an additional seat of that community on the proposed Board. For this purpose the Rai Bahadur suggested that of the two members from amongst the legislature the Government should have the power to nominate a Shia member of the Council if the other member elected belonged to a Sunni community. According to him, the representation of the Shia community was inadequate.

The amendment of Dr. Dutt was lost without a division, but subsequently the House accepted an amendment of the *Education Minister*, empowering the local Government to appoint three additional members from the Shia Community to sit on the Board only when wakfs created by the Shias would be considered by the Board. This, in the opinion of the Minister, would safeguard the interests of the Shia community, giving them a real voice in matters concerning them.

21st. FEBRUARY :-—The House to-day settled the functions of the Commissioner who will act as President of the Board of Wakf and of the Board. The functions of the Commissioner shall include, inter alia, investigating the nature and extent of Wakfs and calling from time to time for accounts, returns and information from mutwallis. The functions of the Board shall include inter alia giving directions in what manner any surplus income of a wakf shall be utilised. In furtherance of the objects of the wakf or in the interest of the beneficiaries the Board may revise any provision in the wakf deed which has become in-operative or impossible of execution owing to efflux of time or changed conditions.

Financial Statement for 1934-35

The Hon'ble *W. J. A. Woodhead*, Finance Member, then presented the Bengal Budget and gave an appalling picture of Bengal's finances.

A deficit of Rs. 2.06 crores in the estimates for 1934-35, in spite of rigorous economy in all departments, which amounted to Rs. 94.75 lakhs as compared with 1929-30; an appalling drain, owing to measures to cope with terrorism and other subversive activities, which amounted to Rs. 173.75 lakhs for 1932-33 to 1934-35; and an unanswerable case for immediate revision of the financial settlement for this province were the outstanding features of the speech of the Hon'ble Mr. Woodhead. "Judged by the figures of the budget estimates, the financial position is worse instead of better, and if there were no hope of our claim to a revision of the existing financial settlement being conceded the outlook would be one of utmost gravity", with these words Mr. Woodhead opened his speech.

Mr. Woodhead then referred at length to the economic depression and its repercussions on Bengal's trade, especially in jute and other agricultural products, where the prices were the lowest ever recorded. He then explained the drain on account of terrorism and said, "Last year I drew attention to the heavy additional expenditure thrown on the revenues of the province by the Civil Disobedience and terrorist movements during these years when the revenue position demands that every economy should be made. Unfortunately, this expenditure, which is unavoidable, if law and order to be maintained,—and law and order must be maintained, no matter what the cost may be—continues to be a very heavy burden on our resources. In 1933-34 this expenditure, according to the revised estimates is Rs. 53 and one-fourth lakhs and the budget for 1934-35 makes a provision for Rs. 52 lakhs. The decrease of 1 and one-fourth lakhs is more than accounted for by expenditure amounting to Rs. 3,68,000 during 1933-34 on construction of the jail at Delhi. The figures for the year 1931-32 and 1932-33 are Rs. 21 and one-half and Rs. 47 lakhs respectively and by the close of the year 1934-35 the promoters of anarchy will have involved the province in an expenditure amounting to Rs. 173 and three-fourth lakhs. There appears to be little hope that this burden will be reduced substantially in the immediate future and I feel sure that every right-thinking person will agree that it is nothing short of a catastrophe, that these movements subversive of law and order have placed such a large additional burden on the resources of the province".

The Finance Member claimed that a saving of Rs. 94.75 lakhs by way of retrenchment had been effected. He added that the revised scales of pay would be brought into force on and from 1st April next. Continuing, Mr. Woodhead compared the figures of the estimated expenditure in 1934-35 with those of the actuals of 1932-33 and 1933-34. A point that will strike any one who compares these figures with the actuals for the year 1930-31 is this, that although the expenditure fell by

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CALCUTTA—

Rs. 73 lakhs between 1930-31 and 1932-33 it was on the increase in 1933-34 inspite of retrenchment. He then detailed the losses in revenue under the heads, Excise, Stamps and Salt. While providing for an improvement of nearly 15 lakhs, the Member warned the House that the situation did not warrant taking an optimistic view of the revenue prospects.

As regards expenditure, the estimates provided for Rs. 11,29,17,000, being an increase of Rs. 34,68,000, over the revised estimates for 1933-34. Mr. Woodhead explained that this increased expenditure was accounted for mainly by interest and pensionary charges and additional expenditure on roads from the Central Road Development Fund and from proceeds of taxes on motor vehicles. Referring to the repairs consequent on the recent earthquake, Mr. Woodhead said, "Fortunately, the earthquake, which has had such disastrous effects on the neighbouring province of Bihar and Orissa, has caused little damage in Bengal outside Darjeeling District. In that district the damage to Government property is, however, considerable and the Council will notice that Rs. 2 and half lakhs have been provided as reserve for expenditure in respect of such damage".

Continuing, Mr. Woodhead reiterated his demand for equitable financial adjustment. He told the Council that Government were continuing to press Bengal's just claims for full provincialisation of the jute export tax. Under the existing financial arrangements a balanced budget would be possible only by reduction of expenditure by Rs. 2 and one-fourth crores, but to do so would jeopardise the interests of the transferred departments. He pleaded for more equitable financial arrangements under the impending constitution.

Concluding, Mr. Woodhead declared : "It would be disastrous if the mistake of 1921 were repeated. Stagnation would once again be the inevitable result of such a new financial settlement. It is of paramount importance that under the new constitution, the finance of the Province should be placed on a sound basis. Bengal can justly claim for a financial settlement which will redress the injustice of the past and render possible the development of those constructive services, the curtailment of which had been such a marked feature of the administration during the last twelve years".

THE BENGAL WAKF BILL (CONTD.)

22nd. FEBRUARY :—A close voting took place over an amendment of the Hon. Mr. K. Nazimuddin, Education Minister, in connection with the creation of the proposed Wakfs Fund. The bill provided that all monies received by the Board or the Commissioner and all other monies realised, including fines imposed upon mutwallis, shall form a fund to be called the "Wakfs Fund". The Minister moved an amendment for exclusion of the fines from the proposed Fund and this amendment was carried by 34 votes to 32.

The House, however, without a division accepted another amendment of the the Minister that the Wakfs Fund shall, subject to the provision of sub-section 2, be under the control of the Board. Sub-section 2 gives power to the local government to make rules regulating the payment of monies into the Wakfs Fund, the investment by the Board of monies received into the fund and the custody and disbursement of such monies.

At the instance of the Minister the House accepted an amendment regarding the application of Wakfs Fund which shall be applied to the payment to the government of cost of survey of wakfs properties, repayment of any loan and payment of interests thereon, payment of the cost of audit of the Wakfs Fund, payment of salary and allowances of the Commissioner and payment employed by the Board and of all expenses incurred by the Commissioner and the Board in the performance of the duties imposed and the exercise of the powers conferred by this Act. If any balance remains after meeting the expenditure, the Board may use any portion of such balance for the preservation and protection of wakf property. The House also accepted another amendment of the Minister regarding statements of wakfs-al-al-aulad.

23rd. FEBRUARY :—The Council passed to-day the Bengal Wakf Bill without any division. The measure was initiated by a non-official member of the House, Maulvi Abdul Ghani Chaudhury, and its object was to make provision for the proper administration of Wakf property in Bengal.

According to the mover mismanagement of wakfs had proved to be a scandal and there was no doubt it contributed to the poverty, illiteracy and ill-health of the Muslim population. The wakf properties, he said, formed the most important

source of wealth created for manifold charities and for the welfare of the Muslim community and the measure contemplated to regulate the use of Wakf incomes into legitimate purposes and proposes to set up a Board for this purpose.

The Hon. Mr. K. Nazimuddin, Education Minister, explained the difficulty of Government in introducing a measure like this which dealt with religious matters. But, he added, Government had given all co-operation in drafting the bill and making it workable.

BENGAL STATE LOTTERIES BILL

The Council then threw out the Bengal State Lotteries Bill, by defeating the motion of Mr. P. Banerji, the sponsor of the bill, for its reference to a Select Committee.

The object of the bill was to make adequate provision for the improvement of Public Health, Sanitation, Hospitals, Agriculture and Industries, as in the present state of finance, it was not impossible for the Government to do so. Further, enormous wealth in the opinion of Mr. Banerji was being drained out of the country by Foreign Sweep Stakes and also unlicensed Lotteries were held in the country serving no useful purpose. He therefore wanted the Government to step in and utilise such money for the benefit of the Province.

The considered opinion of the Government that the system of public lotteries is definitely mischievous and should not be adopted as a means of raising money for public and quasi public purposes was voiced by the Finance Member, the Hon. Mr. J. A. Woodhead, opposing the Bill, the motion for reference of which to a Select Committee was defeated by 55 to 17 votes. While Mr. Norton and Mr. W. L. Armstrong supported the motion though maintaining that the Bill was unsupportable in the present form, Mr. W. H. Thompson opposing said that representatives of British industrial interests in the Council were definitely opposed to the whole idea of the Bill. Moslem and Hindu opinion in the House was divided. The House then adjourned till the 26th.

BENGALIS AND THE ARMY

26th. FEBRUARY :—Without opposition, the Council to-day adopted a resolution of Rai Bahadur Keshab Chandra Banerji recommending to the Government "to convey to the Government of India and His Majesty's Government in England that, in the opinion of the Council, early steps should be taken for giving military training to the people of Bengal so as to raise a permanent unit to form part of the Indian Army." Explaining the Government's attitude, the Home Member, the Hon'ble Mr. R. N. Reid, said that the Government did not intend to oppose the resolution and promised to forward the report of the discussion to the proper authorities. Mr. Reid thought that Bengalis were not debarred entirely from military training, there being three units in the Province, open to them, namely, the Calcutta Battalion University Training Corps, Territorial Battalion, 19th Hyderabad Regiment and Dacca Company of University Training Corps.

Mr. Banerji assured the Government that, by admitting Bengalis to military service, there was great possibility of political unrest being appreciably diminished. It would go a long way in solving some of the problems with which the Province was faced.

OFFICIAL BILLS

27th. FEBRUARY :—Three official bills were discussed at the sitting of the Council to-day. The House passed the *Bengal Nurses Bill* and the *Presidency Small Cause Courts (Bengal Amendment) Bill* on the motions of the Hon'ble Mr. R. N. Reid, Home Member, while Sir B. P. Singh Roy, Minister, introduced the *Bengal Excise (Amendment) Bill*.

The object of the *Bengal Nurses Bill* was to provide for the registration of nurses, midwives and health visitors in Bengal and to secure their better training. With this object in view the Bill sets up a Council to be called "The Bengal Nursing Council" consisting of seventeen members.

The object of the *Bengal Excise (Amendment) Bill* introduced by the Minister was to bring Bakhar within the purview of the Excise Act. The words 'any fermenting agent' are preferred to the use of the word 'Bakhar' by name as the article in question was prepared differently and known by different names in different parts of the province. The Bill involved no question of policy. But it was pointed out that 'Bakhar' was a substance used as fermenting agent in the manufacture of 'pachwai'

which was an alcoholic liquor. In the past, alarming number of cases were brought to light in which consumers of 'pachwai' were poisoned with fatal consequences, and this was traced to the presence of aconite administered through 'Bakhar' used in the manufacture of the drink.

GENERAL DISCUSSION OF BUDGET

28th. FEBRUARY :—An appeal to utilise the 'windfall from the Government of India' for rural reconstruction of the province was made to Government by non-official members of the Council to-day in the course of the general discussion of the budget. It was stressed that Bengal could not survive the present economic crisis and unless Government seriously made up its mind to adopt this course they would lose the last opportunity of rebuilding fair Bengal. While most agreed that terrorism must be crushed though it cost them half a crore of rupees, one thought in the countryside there was no terrorism which was confined to a few sentimental and demented youths and the remedy lay not in arming Government with more powers but in a change of policy. All the members congratulated the Government of India for remitting half the jute export duty to Bengal and hoped the full amount under this head would be restored to her in the near future.

Referring to the Government of India's proposal to allocate to the jute-producing provinces half the net proceeds of the jute export duty the *Finance Member*, Mr. Woodhead, made a statement saying that, while it would not be proper at the present stage to discuss the plan on the floor of the house, he felt sure all members would desire to express their gratitude to the Government of India. Mr. Woodhead also drew attention to the assurance given in the Finance Member's speech that it was intended that the proposal would be regarded as a full and final settlement of Bengal's financial position. "We welcome these statements because they assure us that the present proposal would not in any way prejudice further claims we have put forward in connection with the proposed new constitutional arrangements.

2nd. MARCH :—A plea for a change of policy with a view to creating calmer atmosphere in the country was put forward, in the course of the general discussion of the budget to-day. Declaring the present situation to be more economic than political, *Rai Bahadur K. C. Banerji* said that the fact that the Province having a deficit budget made provision for 52 lakhs for countering subversive movements was really deplorable. "It looks as if the whole nation would wither away under steam roller of law and order." He regretted that no constructive policy was hitherto followed in the country.

Khan Bahadur Azizul Hug said that the time had come when Bengal must have definite economic programme for rural welfare. The speaker was supported by other non-officials who spoke in the same strain urging improvement of nation-building department. The House then adjourned till the 5th.

Bengal Criminal Law Amend. Bill (contd.)

5th. MARCH :—On the motion of the Hon. Mr. R. N. Reid, Home Member, the Council proceeded to-day to consider the Bengal Criminal Law Amendment Bill, clause by clause, as reported by the Select Committee. There were three amendments for recommittal of the bill to the Select Committee, of which two made specific mention of dates, but after the House had refused the amendment of Mr. P. Banerji for simple recommittal by 86 votes to 16, the other two amendments were not pressed to a division and were declared lost.

Moving that the report of the Select Committee on the bill be taken into consideration, Mr. Reid explained the various changes made by the Select Committee, including the restriction made on imposition of capital sentence. He stressed that Government had entered upon this legislation not lightly, but after a very careful consideration of the situation and of the measures which, Government believed, that situation required. "The situation as regards terrorism is a grave one—grave not in the sense that there is immediate risk of widespread insurrection or of disorder on a large scale—but grave as terrorism is still there, and that is shown by the fact that recruiting is still going on. Recruiting is going on with an eye, not so much for the immediate future, but for the remote future and specially that point of the future when it is expected the life of the special temporary measures dealing with terrorism will expire". It was for that reason, Mr. Reid said, that Government attached so much importance to the preventive sections of the Bill as well as to

those clauses which were intended to make the Acts of 1925 and 1930 dealing with this movement permanent. "I beg of the Council, however unpalatable they may be, to face facts, and in coming to a consideration of the bill, to look at it from the point of view of the safety of the State. In times of danger—and these are times of danger in Bengal—the interests of the State must over-ride the conveniences and the interest of the individual. For it is only in a stable and ordered State that the individual can have security of life and property."

AMENDMENTS

Moving as an amendment for the recommittal of the Bill, *Mr. P. Banerjee* enquired whether the State existed for the people or the people for the State. Surely the State existed for the people and that negatived the argument of Mr. Reid. It seemed to the speaker that the real intention of Government was not to fight terrorism but the non-violent movement.

Dr. Amulya Ratan Ghose moved that the Bill be recommitted with instructions to submit the report by March 24. His intention was that if the bill was recommitted, the Select Committee would have the advantage of considering the bill in the light of public opinion since expressed in the country.

In the opinion of *Mr. Abdus Samad* the bill provided for treatment only of the outward symptoms, but it did not go down to the root of the disease. He would ask the House to ascertain the real cause of the disease and then to find out the remedy. He therefore moved that the bill be recommitted with the addition of the following members (*Mr. S. C. Roy Chaudhury, Mr. J. N. Basu, Maulvi Tamizuddin Khan and Maulvi Abdul Karim*) with instructions to submit the report by March 20.

As a member of the Select Committee, *Mr. N. K. Basu* supported the amendments. Replying to the previous speaker, he said that as a nominated member Rev. Nag had always voted with the Government and therefore there was no lack of duty on his part. His principal ground for supporting recommittal was that the time given to the committee for consideration was too short. The House asked the Committee to submit the report within 11 days and it was not possible for the Committee to consider an important bill like this within such an inadequate time. That the time was short, he said, was evidenced by the fact that even Mr. Reid, who had not signed a minute of dissent, had now tabled amendments. This conclusively demonstrated that he had no time to consider the matter properly in the committee.

Replying to the debate, *Mr. Reid* said that the Select Committee sat for a considerable period and went through the bill very carefully. No case, he submitted, had been made out for recommittal and he did not think the House as a whole would like that course.

THE DEATH CLAUSE

Mr. N. K. Basu moved for the deletion of the clause which provided for death penalty, transportation for life etc., under certain sections of the Arms Act. He pointed out that the punishment provided in the Arms Act of 1878 was three years which had been enhanced to transportation for life by the Bengal Amending Act of 1932. So the only new addition was the death penalty. But he could confidently say that no judge or body of judges trained on the lines of the English system of jurisprudence would inflict death penalty on a person who went armed or possessed firearms in circumstances indicating that he intended that the fire-arm would be used for the commission of an offence of murder. Discussing the trend of policy of the existing law, *Mr. Basu* said, the Indian Penal Code provided for death penalty in eight sections. In four sections death penalty was provided in the code where no human life was lost, namely, for waging war, inciting people and for causing hurt only in the case of life convicts. But in other sections the maximum penalty was provided only when human life was lost. It was therefore clear that the policy of the code which had stood the test of centuries was to inflict death penalty only in cases where a man's life had been lost. But in this bill they were inserting the death penalty, not when any murder had been committed, not when circumstances proved that the man armed with fire-arms intended to commit murder, but when circumstances indicated that the possessor intended that the unlicensed fire-arm should be used for the commission of the offence of murder. And it was difficult to prove the circumstances in such case. That being so, it was ridiculous to suggest that any judge worth the name would sentence a man to death for going with or possessing a pistol in such circumstances. This extension of law imposing capital

sentence, he contended, was unwarranted. So far as the deterrent effect on the terrorists themselves was concerned, they all knew and heard of instances where terrorists went about with a revolver in one hand and poison in the other. So far as they were concerned, they were not absolutely terrorised by death provision, and no case had been made out that these people were more afraid of death penalty than life sentence. It was a travesty of legislation to provide death penalty in circumstances such as this clause contemplated. Knowing well that the extreme penalty would not be inflicted by any judge and also being aware of the fact that such provision would only antagonise public opinion of all sections, Mr. Basu requested the Home Member not to persist in pressing for this clause, but to take note of the volume of public opinion expressed against this particular clause.

Mr. J. N. Basu, who had tabled an amendment to confine the sentence to transportation for life by deleting death penalty, said that if Mr. N. K. Basu's contention was right that the Amending Act of 1932 had already enhanced the sentence to transportation, he failed to understand why instead of inserting a few words extending the penalty to death the clause had recapitulated the entire punishment that might be given. This clause, as it stood, would be adding to the difficulty of law courts by inserting so many provisions which would confuse them. The discussion had not concluded when the Council was adjourned.

6th. MARCH :—By 68 votes to 28, the Council to-day rejected the motion of Mr. N. K. Basu, for deletion of the entire clause in the Bill providing enhanced punishment up to death for certain offences under the Arms Act. Following the defeat, the oppositionists moved for the deletion of the death penalty only from the clause, confining the sentence to transportation for life but this motion also was defeated by 59 to 20. The House however accepted the amendment of Mr. W. H. Thompson, leader of the British group, adding a fine in connection with these offences.

The supporters of the motion for deletion of the entire clause stressed the sanctity of human life, which, they said, should not be taken away so lightheartedly as the bill contemplated, even in cases where no murder was committed. Such a provision, they said, instead of acting as a deterrent on the terrorists who went about armed with a revolver in one hand and poison in the other would shock the civilised world and give a handle to the enemies of India's progress to resist further reforms on the plea that the situation in Bengal had come to such a pass that even the majority of elected members of the House thought it fit to insert such a drastic penalty.

Mr. J. N. Basu said that the proposal to sentence a man to death on circumstantial evidence was an extraordinary one. Without minimising the gravity of the situation for which, if the Government had not been alert, they would have been charged with remissness in their duty, Mr. Basu said that the reason why the countryside had not been affected was because of the work done by educational and other institutions in upholding law and order. The situation, difficult as it was, should not be made more difficult. It had been said that a measure like this might deflect some youths from the path of terrorism. But on the other hand encroachment on the ordinary liberties of the people might create an atmosphere of dissatisfaction with the policy of the Government, making it exceedingly difficult for those who stood up for peace and order. Provision of death penalty, he concluded, would only create a sense of irritation. He asked the Government to note that the spirit of discontent was growing deeper and that was a thing which would not be remedied by measures like this.

Mr. Tamizuddin Khan also supported the motion for deletion of death penalty from the clause. Other supporters of the motion included Dr. Amulya Ratan Ghose, Mr. Abdus Samad, Kazi Emdadul Haque, and Mr. Shanti S. Roy.

Replying to the debate, the Home Member, Mr. R. N. Reid, said the trail they were pursuing in this matter was the question whether death sentence should be inflicted in certain circumstances mentioned in the bill. It seemed to him singularly inappropriate to talk seriously of human life when they were dealing with a menace like terrorism. He then cited instances of the brutal murders of Mr. Kamakhy Sen, deputy magistrate, while asleep and Mr. Burge, while playing football, and the raid on Pahartali Institute two years ago, proving that these people (terrorists) did not think of the sanctity of human life. Although he admitted that there were men who went out with pistol in one hand and poison in another, the Home Member asserted that they were not numerous and it, therefore, seemed there was

good chance and the capital penalty that lay at the back ground of the legislation might be deterrent to somebody who was perhaps on the border line of committing some terrorist crimes. The House then adjourned.

7th. MARCH :—The Council to-day defeated by 50 votes to 23 the motion of Mr. N. K. Basu for deletion of the entire clause in the bill providing for enhanced punishment, including death penalty, for certain offences under the Explosive Substances Act.

Another motion to delete the death sentence only from the purview of the clause was also rejected by 57 votes to 28, and the House adopted the clause in the bill providing this enhanced sentence for persons who make or have in their possession any explosive substance under circumstances indicating that the persons intended that such explosive substance should be used for, the commission of any offence of murder."

Mr. N. K. Basu, moving his motion, said that it was not because terrorism was the background of this legislation that death penalty had been inserted but because in the forefront of Government idea of this legislation was terror. "Government see red all the time and that is why they feel the bill should be made red." Otherwise there was no reason why the death penalty should be deliberately inserted in cases where no murder had actually taken place.

Mr. C. C. Miller, on behalf of the British Group, said that this legislation had been brought forward, not because of the failure of the people of Bengal to do their duty in this respect. Leaders of the country had left the Government and the Police to fight their battle alone against this menace.

Following a remark by the Home Member in reply to Mr. P. Banerjee's amendment seeking to substitute ten years in place of fourteen years' rigorous imprisonment for such offences that it was "waste of time", Mr. Banerjee retorted that the whole bill was "waste of time". The Home Member said that if the member thought so, he should not attend the Council. Mr. Shanti S. Roy said that unless the expression was withdrawn the Opposition would exercise its constitutional right and call for division on every amendment.

FREEDOM OF PRESS CURBED

Opposition was then concentrated in connexion with the further discussion of the bill to the clause in the Bill relating to the publication of certain matters in the press. The clause in question gives power to the Local Government to prohibit publication in the press of "any class of information which, in the opinion of the Local Government, tends to create an atmosphere favourable to the gaining of adherence to the terrorist movement." The clause also empowers prohibition of names, designation etc., disclosing the identity of any witness in trials before special courts without the permission of the Commissioners or of the Special Magistrates or of the Local Government.

Mr. S. C. Roy Chaudhury, on behalf of the opposition, moved a motion for the deletion of the above clause which was, however, lost by 61 votes to 17. Another amendment to delete the first part of the clause with regard to the publication of news held to be objectionable by the Government was similarly negatived by a majority of 58 votes to 15.

The opposition view was that such legislation would curb the freedom of the press and was liable to abuse. They cited in this connexion the alleged interference with regard to the publication of the Division List in the press in connexion with the earlier discussion of the present Bill.

Replying to the debate, the Home Member said the clause was intended to prevent the kind of publication which held convict terrorists or terrorists under detention as persons praiseworthy who deserved sympathy of the general public. That was the sort of thing against which the clause was directed with a view to prevent the youthful mind being carried away into a kind of perverted hero worship.

8th. MARCH :—The question of the privileges of the press in the matter of publication of proceedings of the legislature was raised by Mr. S. S. Roy in connection with the press clause by an amendment providing that the local Government shall not prohibit publication of proceedings or part thereof of the British Parliament, the Indian legislature and the local legislatures in India.

Replying, the Home Member, Mr. R. N. Reid, said the Government had no intention of taking these powers in order to prohibit the publication of these proceedings. But it seemed to him that the tabling of these amendments amounted to an

admission that the publication of proceedings of the legislatures might be used or could be used in such a way as to excite sympathy with the terrorist movement — the very thing that the Government was out to check. Government fully realized the privilege the members of the legislatures possessed within the walls of the House, but what they wanted to check was publication of these privileged utterances by an irresponsible press in such a manner as to poison the minds of young men. The Home Member added that it was very easy with all the tricks of the journalist's trade, by leaded headlines, by tactical juxtaposition, by omission and additions here and there, entirely to misrepresent statements made on the floor of the House in perfectly good faith and without the slightest intention that they should be used in the way 'we can see they may be used'. The Home Member opposed the amendment which was lost by 65 votes to 13.

Six divisions, all of which were negatived by a large majority, took place in connection with the resumption of discussion on amendments to the clause relating to the press. The strength of the Opposition varied from 16 to 21 and that of Government from 65 to 48.

After nearly four hours' debate the House accepted the clause relating to the press with certain modifications accepted by the Home Member, empowering Government to prohibit publication in any newspaper of any class of information which in the opinion of the local Government tends to excite sympathy with or secure adherence to the terrorist movement.

The House, also, accepted the second part of the clause which stated that neither the name nor designation, nor any words, signs or visible representations disclosing the identity of any witness in a trial before the special courts shall, without the permission of the commissioners or special magistrates or the local Government, be published in any newspaper.

OPPOSITION WALK-OUT

At 7 p. m. the deputy President, who occupied the chair, intimated that the House would sit till 8 P. M. when Mr. N. K. Basu, Opposition leader, pointed out that in the absence of previous intimation to sit late at night it would not be convenient for him to do so and he, followed by some Oppositionists, left the chamber. The clauses dealing with forfeiture of press security were passed in quick succession in their absence. Shortly after Khan Bahadur Abdul Momen having left the chamber with some Muslim friends, the deputy President adjourned the House.

NIGHT SITTING OF THE COUNCIL

9th. MARCH :—The Council had the unusual experience of having a night sitting at 9.30 o'clock, after it was adjourned at the usual hour in the evening. This unusual course was adopted to rush through the final stages of the Criminal Law Amendment Bill. The procedure is often adopted by the House of Commons, and was once followed by the pre-Reform Imperial Council, when the Rowlett Bill was being rushed through. It sat up to midnight and the late Sir Surendranath Banerjee, who had the habit of going to bed early, protested vehemently against this unusual course.

Before adjourning at 7 p. m., the Council disposed of 40 amendments, all of which were defeated by a large majority. There were 130 amendments to be disposed of. An unsuccessful attempt was made to limit the life of the measure to five years, instead of placing it permanently on the statute book as contemplated by the bill. The non-officials opined that a measure like this would be a blot on the statute book and hamper the working of the new constitution. Replying to this, Mr. R. N. Reid, Home Member, found it difficult to see the close connection between the question of making this measure permanent and the new constitution as the measure was directed against the terrorist movement which, in his opinion, had no connection with the new constitution.

Resuming the session at 9.30 p. m. the Council sat till midnight disposing of 40 amendments in the course of which the non-officials challenged four divisions on their own amendments none of which were accepted and opposed two amendments moved by the Home Member which were ultimately carried by a substantial majority. Ultimately the House accepted the clause in the bill empowering a district magistrate to regulate the conduct and restrict the movements of persons under 21 years of age when they were suspected to have consorted with terrorist associations.

The House was discussing an amendment on the clause which provided realisation of fine from parents or guardians for disobedience of orders passed by the District Magistrate upon their wards in this connection when it was adjourned.

10th. MARCH :—The Council resumed discussion to-day sitting from 10-30 a. m. till 2 p. m., and had not finished consideration when it adjourned till 6-30 in the evening. Good progress was, however, made in the morning session, leaving only 24 amendments to be disposed of before the third reading took place.

The Oppositionists challenged four divisions, three on their amendments which were lost, and one on the amendment of the Home Member, which was carried.

With the assent of the Home Member, the House accepted certain amendments of the Opposition, the effect of one of which was to delete the provision from the bill which made special provisions for recording evidence in trials before special magistrates. The Council was discussing an amendment of the Home Member on the last clause of the bill providing penalty for possession of proscribed documents or literature encouraging people to commit murder and violence when it was adjourned till 6-30 in the evening.

Within half an hour of the sitting, the Opposition challenged a division on an amendment for deletion of the clause in the bill providing realisation of fine, from parents or guardians, imposed on their wards, who were on the border line of terrorism, for violating the orders restricting their movements. The amendment was lost by 48 votes to 17.

Opposing the amendment, the *Home Member* said that this provision afforded inducement to guardians or parents to exercise proper control over their wards if they knew that failure to do so would make them liable for fines imposed on their wards. It would thus bring home to guardians and parents their responsibility in the matter. It would also avoid the necessity of sending these youthful offenders to prison which was not desirable in such cases, if it could be avoided.

The original clause in the bill was carried without opposition.

DETENUS' ALLOWANCE

The House then accepted the amendment of the Home Member by 62 votes to 20, leaving the question of granting allowances to the family of detenus to the discretion of the local Government, in place of the unanimous recommendation of the Select Committee, making the payment of such allowances obligatory on the local Government.

It was stated by Mr. S. N. Roy, Addl. Secretary, Political Department, that by this amendment Government did not propose to reduce the allowances already made or to set up a different standard. But cases had occurred when members of a family of a detenu receiving such allowances from Government had been found to be taking part in subversive activities. And it was to deal with such cases that the power proposed was required. Following the motion of Mr. R. N. Reid, Home Member, for adoption of the Criminal Law Amendment Bill, Mr. J. N. Basu, Liberal Leader, opposing said that this measure was not the first of its kind to deal with the menace of terrorism. For several years past measures had been adopted by the Government to deal with the situation but it did not appear that the situation had been properly grappled with or the mischief to deal with which powers had already been taken by Government had been removed. If the past be any indication of what was going to happen in the future, then there did not appear much prospect of success of this extraordinary measure. On the other hand, the measure contained provisions which made large encroachments on the ordinary liberties of subjects, apart from affecting persons who were real criminals, with the result that it would create discontent in the land. What was wanted was that Government measures should not only try to meet the crime, the revolutionary danger, but should also try to create confidence and trust in the public mind, but it did not appear that any had been made to create that amount of public confidence.

Mr. Shanti Shekharaswar Roy, supporting Mr. Basu, said that whatever might be the voting strength of the Hindu members of the House, the feeling of the Hindu community outside the House was totally against this measure. He hoped that the day would soon come when it would be impossible for a bureaucratic Government to pass such a "dark measure" through the Legislative Council, with a sitting of the Council in the dark hours of midnight. He did not know whether the Division List had not been allowed to be published in the Press at the request of those who supported the measure. But if that was so, he would leave it to the House to say whether there was free voting on this question.

Dr. N. C. Sen Gupta could only hope that the day would come when the pack of cards would be blown into the air and the "Wonderland" would disappear. But if that did not happen, he would ask the Home Member to make India his

own after he had retired and live under the administration of this Act in India and know what "Wonderland" it had produced. The Bill was ultimately passed by 61 votes to 16.

VOTING ON BUDGET DEMANDS

12th. MARCH :—The Council commenced discussion on the demand for budget grants and voted without a cut the entire sum of Rs. 36,84,000 for Land Revenue on the motion of Sir Charu Chander Ghose. About 90 motions were tabled either for reduction or refusal in connection with the demand of which only a few were discussed and lost without a division, while other cut motions were guillotined.

13th. MARCH :—The Council to-day voted in quick succession the entire demand of the Minister for Local Self-Government for Rs. 16,46,000 for Excise, of the Finance Member for Rs. 4,92,000 for Stamps and of Sir A. K. Ghuznavi, Leader of the House, for Rs. 7,87,000 for Forest, defeating a cut motion under the last head.

14th. MARCH :—The Council to-day passed the demands of the *Education Minister* for Rs. 17,16,000 for registration and of the Finance Member for Rs. 5000 for scheduled taxes defeating all cut motions. The House rejected by 45 to 21 votes a non-official cut in connection with the demand of the Irrigation Member for Rs. 30,30,000 for irrigation and had not concluded discussion when it adjourned.

15th. MARCH :—The Council to-day passed the demand of Sir A. K. Ghuznavi for Rs. 30,30,000 for irrigation and of the Finance Member for Rs. 1,000 for "interest on other obligations".

In connection with the demand of the Home Member for General Administration, the House rejected the motion of Kazi Emdadul Hug for reduction of the grant of Rs. 45,140 under the head "Staff and household of the Governor's band establishment" by Rs. 9,140. The House also negatived the motion of Mr. N. K. Basu urging reduction in the size of Executive Council. The same Member's cut motion, in which he stated the undesirability of appointing High Court Judges to Executive Council to fill vacancies was being discussed when the House adjourned.

16th. MARCH :—The Council to-day voted the entire demand of the *Home Member* for Rs. 98,14,000 for expenditure under the head General Administration. The House, without a division, rejected the cut motion of Mr. N. K. Basu, (Leader of the Opposition, stressing the "undesirability of appointing High Court Judges to the Executive Council". Mr. N. K. Basu urged that such a course might impair the independence of the Judiciary in the minds of the public and the assistance, which such Executive Councillors might give to the Governor in political matters would be inadequate, because Judges, while on the Bench, were supposed to be not in touch with the political situation of the country.

Replying, the *Home Member* referred to the similar practice obtaining in other provinces and said that there was nothing to show that such appointments had either impaired the efficiency of the Bench or the Local Government had not received proper assistance from such members. He hardly believed that such appointments, which were not regular things and which were seldom made permanent, could really impair the efficiency of the Judiciary.

As regards the question whether retired High Court Judges could give adequate advice to His Excellency the Governor, the *Home Member* said that it was a fallacious argument to assume that a High Court Judge lived in a world of his own and he knew nothing of what was going on around him. After all, it stood to reason that an officer who had sat on the Bench, would bring to bear on all matters in his work as Executive Councillor his balanced judgment. As stated, the 'cut' motion was lost.

Two motions were moved in connection with the salaries of Ministers, one by Mr. N. K. Basu for a refusal of the demand of Ministers' salaries and the other by Mr. J. N. Gupta who suggested a 'cut' of Rs. 100. Mr. Basu prefaced by saying that his motion was an economic cut and he wanted Ministers to forego their salaries for the year, when the *President* remarked that it was doubtful whether the Government of India Act contemplated Ministers without salaries. Mr. Basu then withdrew his motion. Mr. Gupta then moved his 'token cut' saying that it was an economic cut, when the President explained the significance of his cut, which amounted to a vote of no-confidence". Mr. Gupta also withdrew his motion.

17th. MARCH :—The Council to-day voted the demand of Sir C. C. Ghose for Rs. 74,40,000 for Administration of Justice. The cut motion of Mr. N. K. Basu, the Opposition Leader, referring to "absence of High Court Judges" from court without leave, which Mr. Basu said was principally responsible for the accumulation of arrears of work, was lost without a division. Another cut motion by the same Member, criticising the revised scale of charges for the preparation of paper books in second appeals, was negatived by 43 to 36 votes.

19th. MARCH :—The House voted the *Home Member's* demand for grant of Rs. 43,08,000 for jails and convict settlement defeating the cut motion of Mr. S. S. Roy for discussing the treatment of detenus and political prisoners, by 63 votes to 14.

The question of appointing a board of non-official visitors from Bengal with a view to see the state of affairs obtaining at the Deoli Detention Camp was stressed by the non-official members during the discussion of Mr. S. S. Roy's token cut.

The *Home Member* said there was a board of local gentlemen who visited the Deoli Jail regularly and it was rather difficult to arrange for a board from Bengal to go there periodically. He added that every endeavour was made to see that the detenus got the kind of food they were accustomed to in this province.

The Police Department then came in for a good deal of adverse criticism at the hands of non-officials when Mr. R. N. Reid moved for the grant for police. Dr. Amulya Ratan Ghose pleaded for replacing European Sergeants by Indian Sergeants. He also alleged that police had been unable to check the Goonda activities. Syed Majid Baksh declared that more retrenchment should have been effected by reducing the pay and allowances of police officers. Mr. S. M. Bose called attention to the sole monopoly of non-Bengalis in the lower ranks of police services and urged preferential employment of Bengalis. He complained that it was not sufficient to say that there was no bar to the recruitment of Bengalis. Mr. Bose called attention to the Madras police efficiency and demanded that Bengal police should be manned by Bengalis. Discussion in the police budget was not over when the Council adjourned.

GOVERNMENT'S EDUCATION POLICY

20th. MARCH :—An official pronouncement on the educational aims of Government was made on the floor of the Council by Hon. Khwaja Nazimuddin, Minister of Education, in the course of the budget debate on education.

Moving that a sum of Rs. 1,08,45,000 be granted for Bengal, the Education Minister explained that the demand for 1934-35 exceeded the budget estimate for the preceding year by Rs. 1,39,000 but the present was not the time to embark upon schemes involving large expenditure. University grants remained substantially the same and grants to non-Governmental colleges were partially restored.

After referring to certain features of the budget, Mr. Nazimuddin said that, in his budget speech, last year he had dwelt at some length on two matters which were then novel, viz., partial introduction of the Primary Education Act into certain districts of Bengal and the establishment of a training centre for physical education in Calcutta. Both these schemes had progressed with complete success. From next month, district school boards would be established in certain districts of Bengal and the establishment of a training centre for physical education in Calcutta. Both these schemes had progressed with complete success. From next month, district school boards would be established in certain districts of Bengal and the control of primary education would virtually be transferred to them.

The Minister, continuing, referred to the Educational Conference held at Government House towards the end of last year. This Conference, he said, had reached general agreement on some controversial questions, particularly those relating to the appointment of a Secondary Education Board and the necessity of undertaking an educational survey of the province. It was true that the Government were thinking of introducing a bill for the improvement of secondary education in Bengal with a statutory board of secondary education, but there was considerable difference of opinion in the province on the question whether there should be one or two boards. During the course of discussions at the Conference, representatives of the Calcutta University in their individual capacity agreed that the entire control over secondary education might be handed over to the Secondary Board including the prescribing of syllabus and holding of the matriculation examination. This was a step in the right direction. The Secondary Board would be able to devote its entire time and attention to the improvement of secondary education in Bengal and the present dual control and its necessary disadvantages would be removed and the

entire system of education would be guided by one policy. A second resolution passed by the conference had dealt with an equally important question. It had requested the Government to take immediate steps for making an educational survey of the province. The basic principle underlying this resolution was equitable distribution of high schools throughout the province. One of the general reasons why secondary education in Bengal was getting a bad name was due to the fact that while, in some areas, there were too many schools, in others there were none.

Some people had deliberately misunderstood the Government and had been giving out that Government wanted to restrict their facilities for secondary education. Nothing was farther from the truth. The hope of the Government was that every high school should be an economically self-contained unit, teaching the maximum number of students and possessing adequate facilities and equipment and teaching staff. The Conference was of opinion that the only way to deal with this question was to have a survey made of the entire province. The Government hoped to take up this question in right earnest in the near future. At the present time of economic distress and stringency, it was not possible to find money for new schemes, but this was just the time to go ahead with the preparation of schemes, so that as soon as money was available, they could be put into effect without delay. Public opinion on this question must be strongly focussed with them as the task of amalgamation and abolition of existing high schools would be strongly resented by interested parties but the time had come when they had to face facts and drastic steps had to be taken for the improvement of the system of education in Bengal.

There was another important aspect of this question on which the Government were concentrating their attention, namely, the provision of some kind of vocational education at every stage, so that they might divert a number of young men who would find it more profitable to take up their specialised study or some kind of vocation, instead of going on with higher education. This would only restrict the number of those who would go up for higher education, but might also make employment easier.

21st MARCH:—Resuming his unfinished speech on his motion for Education grant, Mr. Khwaja Nazimuddin adverted to the problem of education of women and girls. "It is singularly unfortunate," declared the Minister, "that this persistent demand from the other sex for more and better ways of education comes at a time when the purse strings of the Government must be held so tight, but we shall try our utmost to use our resources to the best advantage and to plan wisely for the future, when money may not be so hard to get." Government, he said, contemplated having an advisory board of women to advise them as to the way they should proceed in regard to the problem of female education. Continuing, Mr. Nazimuddin laid stress on concentration of Government's attention on training of teachers of both sexes. He expressed the hope that the educational needs of Bengal from all points of view would be met by the Government as soon as finances improved.

Maulvi Tamizuddin Khan, by a cut of Rs. 100, protested against the proposal to drop university reform and amendment of the Calcutta University Act. He charged Government with succumbing to interested agitation and putting off every necessary reforms in the direction. He charged the Calcutta University with imparting an education which did not help young men to stand on their own feet and help them to start life. He opined that without vocational education of some sort, the purpose of University education would be lost. The speaker asked the Education Minister if Government intended doing anything real or substantial in the direction of reforming the University. He complained that the various communities had not been properly represented on the University and urged that the University must be of a national and not communal character.

Mr. A. I. Rahman averred that the Calcutta University education did not come up to the level expected by the people. He found the University guilty of failure exercising any control over its constituent college. Mr. Rahman, recalling the arguments put forward at the Government House Education Conference of November last, emphasised that Calcutta was becoming over-crowded and urged that the Government and the University should think of locating colleges outside the city. He also drew attention to the lack of co-ordination between colleges in post-graduate study.

Mr. Shyamaprasad Mukherjee (Calcutta University) explained the attitude of the University and declared that the University had always been anxious to effect

reform, but could not do so without legislative action. As regards the Secondary Education Board, Mr. Mukherjee said that the University was at once with Government, but asked why Government had been holding up papers in this connection for over five years. He referred to the Government House Conference of last November and recalled that the University had made it clear that it had no objection to the proposed Board, but wanted a compensatory grant. For himself, he wished the reform to be effected quickly, because the present dual control was a nuisance. Mr. Mukherjee declared that it would be ridiculous to expect them to solve difficulties and problems which had defied distinguished educationists for years. It was impossible for the University, constituted as it was, to effect reforms in all directions as it had to deal with Secondary, University and Post-Graduate education. Mr. Mukherjee laid stress on the need for Bengali being made the medium of instruction and held that, however beautiful it might be, English was, after all, a foreign language to them. The need of the hour was not so much the reorganisation and democratisation of the University (important as the question was) as the need for spending a larger amount of educational expenses in Bengal. As regards communal representation, Mr. Mukherjee declared that 90 per cent of the students in the University were Hindus and only 12 per cent Mahomedans. Was it to be wondered that Hindu representation was larger? He ridiculed the criticism regarding the so-called communal character of the University and told Mussalmans to pay to the University as generously as Hindus.

Maulvi Aziz-ul-Haque declared that, proud as he was of his *alma mater*, he ought to say that the entire Muslim community had no confidence in it. He complained that Islamic study and culture did not loom large in the curricula, although many years had gone by since Muslims had urged their claims in this behalf. If Muslims had not contributed largely to the University Funds, it was because the University did not cater to their needs.

Dr. Naren Chandra Sen Gupta deprecated the communal turn given to the debate and declared that the question was not one of communal representation, but of efficient education. He would not be satisfied with piecemeal reforms.

After a few more speeches, including one by the Minister, who expressed his sympathy for the demand to effect reforms, the entire grant was put and agreed to.

22nd. MARCH :—The Council to-day voted the demands of *Sir B. P. Singh Roy*, Minister for Local Self-Government for Rs. 41,42,000 for Medical and Rs. 35,86,000 for Public Health and was discussing the demand of *Nawab K. G. M. Faroqui* for Rs. 21,87,000 for Agriculture when the House adjourned.

In connection with the grant for Public Health, *non-official members* by a 'token cut' urged the Minister to fight for more funds under the head and if necessary float a loan to carry on the activities of the department with a view to ensuring better health in the Province. After some discussion the cut motion was withdrawn and the original demand was voted.

Replying to a cut motion, *Sir B. P. Singh Roy* assured the House that the Government were fully alive to the seriousness of the problem and doing its utmost under the present circumstances. In fact, he added, during the last ten years the Public Health grant had nearly doubled its amount.

23rd. MARCH :—"The shyness of the Bengal Bhadralok youths to take to industrial career is gradually wearing off and even graduates are coming forward in large numbers to receive industrial training", stated *Nawab K. G. M. Faroqui*, Minister, when the demand for Rs. 11,33,000 under the head Industries was passed.

The Minister added, since the operation of the scheme, 404 youths received practical training, 156 having found employment. The House voted Rs. 21,87,000 for agriculture and Rs. 82,82,000 for civil works.

The *Finance Member's* demand for Rs. 2,17,000 for miscellaneous departments was also sanctioned. An ambitious programme for covering the whole of Bengal with a network of highways was announced by *Sir B. P. Singh Roy*, Minister, in reply to a cut motion calling attention of the Government to the policy of distribution of money to the Road Development Board. The House at this stage adjourned till the 24th. March, when after passing the remaining budget demands it adjourned *sine die*.

THE MADRAS LEGISLATIVE COUNCIL

LIST OF MEMBERS

- HON. MR. B.
RAMACHANDRA REDDI.
- Deputy President*—M. R. RV. RAO
BAHADUR G. JAGANNADHA
RAJU GARU.
- 1 ABDUL HAMEED KHAN
2 AHMED MEERAN MOULVI HAFEEZ
'ANUMANTHAKUDI MUSTAFA
3 ALAGANNAN CHETTIYAR, RAO
SAHIB A. S.
4 ALAMELUMANGA THAYARAMMA,
MRS. K.
5 ANNAMALAI CHETTIYAR, S. A. A.
6 APPADURAI PILLAI, DIWAN
BAHADUR A.
7 ARASU, V. T.
8 ATI GOWDER, H. B.
9 BASHEER AHMED SAYEED
10 BASU DEV, C.
11 BAYAPPA REDDI, P.
12 BEYABANI, S. M. K.
13 BHANOJI RAO, SRI A. V.
14 BIRLEY, F.
15 BOAG, C. I. E., I. C. S., G. T.
16 BRACKEN, C. I. E., I. C. S. THE
HON MR. G. T. H.
17 BROCK, C. B. E., V. D., C. H.
18 CAMPBELL, K. C. I. E., C. S. I.,
C. B. E., V. D., I. C. S., SIR
ARCHIBALD
19 DAVIS, J. A.
20 DEVADASAN, M.
21 DHARMALINGAM PILLAI, RAO
SAHIB V.
22 DURAI SWAMI REDDIYAR, K. M.
23 ELLAPPAN CHETTIYAR, DIWAN
BAHADUR S.
24 R. FOULKES
25 GOPALASWAMI MUDALIYAR,
DIWAN BAHADUR M.
26 HARISCHANDRUDU NAYUDU, A.
27 INDRAIAH, C.
28 ISWARAN PILLAI, I. C.
29 JAGANNATHA RAJU, RAO
BAHADUR G.
30 JAGANNATHAM, H. M.
31 JAYARAM NAYUDU, RAO
SAHIB C.
32 JONES, I. C. S., C. E.
33 KESAVARAMAMURTI NAYUDU, K.
- 34 KHALIF-UL-LAH SAHIB BAHADUR,
KHAN BAHADUR P.
35 KOLANDA REDDI, RAI SAHIB C.
36 KOTI REDDI, K.
37 KRISHNIAH CHOUDARY, P. V.
38 KRISHNAMURTI, RAO BAHADUR D.
39 KRISHNAN AVARGAL, C.
40 KRISHNASWAMI AYYAR, KT.,
DIWAN BAHADUR SIR ALLADI
41 KUMARA RAJA OF VENKATAGIRI
(RAJA VELUGOTI SARVAGNYA
KUMARAKRISHNA YACHENDRULAJA
VARU)
42 KUMARASWAMI REDDIYAR, THE
HON. DIWAN BAHADUR S.
(Minister)
43 KUPPUSWAMI CHOUDARI, J.
44 LADDEN, W. W.
45 LAKSHMANA REDDI, G.
46 MADANAGOPAL NAYUDU, R.
47 MAHARAJA OF VENKATAGIRI (SRI
RAJA VELUGOTI SIR GOVINDA
KRISHNA YACHENDRULAJA VARU
48 MAHBOOB ALI BAIG
49 MANIKKAVELU NAYAKAR, M. A.
50 METHERELL, J. K.
51 MILLAR, W. H.
52 MOIDOO, KHAN BAHADUR, T. M.
53 MOSES, P. C.
54 MUHAMMAD MEERA RAVUTTAR,
K. P. V. S.
55 MUNISWAMI PILLAI, RAO SAHIB
V. I
56 MUNISWAMI NAYUDU, DIWAN
BAHADUR B.
57 MURUGAPPA CHETTIYAR, DIWAN
BAHADUR A. M. M.
58 MUTHIAH CHETTIYAR, M. A.
59 MUTHU CHETTIYAR, RAO BAHADUR P. C.
60 NACHIYAPPA GOUNDER, K. A.
61 NADIMUTHU PILLAI, A. PL. N. V.
62 NANJAPPA, SUBADAR-MAJOR, S. A.
63 NARASA REDDI, T.
64 NARASIMHASWAMI, RAO SAHIB
D. V.
65 NARAYANAN NAMBIYAR, V. P.
66 NARAYANASWAMI PILLAI, RAO
BAHADUR T. M.
67 NATESA MUDALIYAR, RAO BAHADUR C.

- 68 PALAT, R. M.
 69 PANNIRSELVAM, THE HON. RAO
 BAHADUR A. T.
 70 PARTHASARATHI AYYANGAR, C. R.
 71 PATNAIK MAHASAYO, SRIMAN
 M. G.
 72 PATRO, RAO BAHADUR SIR A. P.
 73 PATTABHIRAMAYYA, K.
 74 PATTAGAR OF PALAYAKOTTAI.
 75 PEDDI RAJU, P.
 76 POCKER, B.
 77 PREMAYYA, G. R.
 78 RAJAGOPALA PILLAI, P. V.
 79 THE HON. RAJA OF BOBILI (SRI
 RAVU SWETACHALLAPATHI
 RAMAKRISHNA RANGA RAO)
 (*Minister*).
 80 RAJA OF KALLIKOTE (RAJA SRI
 RAMACHANDRA MARDA RAJA DEO)
 81 RAJA OF PARLAKIMEDI (SRI SRI
 SRI KRISHNA CHANDRA GAJA-
 PATHI NARAYANA DEO).
 82 RAJAN, THE HON, MR. P. T.
 (*Minister*)
 83 RAMACHANDRA PADAYACHI, P. K.
 84 RAMACHANDRA REDDI, THE HON.
 MR. B. (*President*)
 85 RAMAKRISHNA REDDI, A.
 86 RAMALINGAM CHETTIYAR, RAO
 BAHADUR T. A.
 87 RAMAMURTI, RAO SAHIB PANDIT
 GANALA
 88 RAMAN MENON, K. P.
 89 RAMASWAMI AYYAR, T. S.
 90 RAMASWAMI MUDALIYAR V. M.
 91 RANGANATHA MUDALIYAR, A.
 92 RANGANATHA MUDALIYAR, G.
 93 RANGANATHA MUDALIYAR, M. D.
 T.
 94 RANGASWAMI REDDI, M. B.
 95 RATNASABHAPATI MUDALIYAR,
 DIWAN BAHADUR C. S.
 96 SAHAJANANDAM, SWAMI A. S.
 97 SWAMI VENKATACHALAM CHETTI
 98 SCHAMNAD, KHAN BAHADUR
 MAHMUD
 99 SENGODAIYAN, I. C. S., S. G.
 100 SESHA REDDI, RAO BAHADUR B. P.
 101 SHETTY, A. B.
 102 SIMHACHALAM PANTULU, G.
 103 SINGAM AYYANGAR, K.
 104 SIVA RAJ, RAO SAHIB N.
 105 SIVASUBRAHMANYA AYYAR, K. S.
 106 SOUNDARA PANDIAN, W. P. A.
 107 SRESTA, M. S.
 108 SRINIVASA AYYANGAR, T. C.
 109 SRINIVASAN, RAO BAHADUR R.
 110 SRIRAMULU, G.
 111 STOKES, THE HON. SIR HOPE-
 TOUN,
 112 SUBBARAYAN, DR. P.
 113 SUBRAHMANYA CHETTI, RAO SAHIB
 P.
 114 SUBRAHMANYA BHATT, U. C.
 115 SUNDARA RAO NAYUDU, T.
 116 SYED TAJUDIN, KHAN SAHIB
 117 THANGAL, P. M.
 118 THOMAS DANIEL
 119 THORNE J. A.
 120 VASUDEVA PILLAI, V. G.
 121 VEDACHALA MUDALIYAR, M.
 122 VENKATACHALA REDDIYAR, K. C.
 M.
 123 VENKATARAMA AYYAR, K. R.
 124 VENKATAREDDI NAYUDU, THE
 HON. RAI BAHADUR SIR K.
 125 VENUGOPAL NAYUDU, RAO BAHADUR R. K.
 126 VISWANATHA RAO, DIWAN
 BAHADUR V. N.
 127 YAHYA ALI, KHAN BAHADUR
 128 YAKUB HASAN
 129 ZAMINDAR OF BODINAYAK
 (T. V. K. KAMA RAJA P
 NAYAKAR).
 130 ZAMINDAR OF CHEMUDU (SRI
 VYRICHERRA NARAYANA
 GAJAPATI RAJU).
 131 ZAMINDAR OF KIRLAMPUDI
 RAJA RAVU RAMAKRISHNA
 RANGA RAO).
 132 ZAMINDAR OF MIRZAPURAM
 (MIRZAPURAM RAJA ALIAS
 VENKATARAMAYYA APPA RAO).
 133 SMITH, W. ERLAM
 133 KRISHNASWAMI AYYAR, K. V.
 135 JAVAD HUSSAIN, KHAN BABA-

Proceedings of the Council

BUDGET SESSION—MADRAS—19th. FEBRUARY to 24th. MARCH 1934

The Budget Session of the Madras Legislative Council opened at Madras on the 19th. January 1934, under the presidency of Hon. Mr. Ramchandra Reddi. At question time *Sir Mahomed Usman*, Home Member, stated that the Government had issued a circular to the effect that, while Government servants should put no obstacle in the way of Mahatma Gandhi's tour and should do nothing to interfere with non-officials who wished to welcome Mahatma Gandhi or show sympathy for the cause of Harijan uplift their participation in meetings and demonstrations in connection with his visit was improper.

BUTTERMILK TO PRISONERS

20th. JANUARY :—That all 'C' class prisoners in jail should be given buttermilk as part of the their diet, was the demand repeatedly made by non-official members in the Council to-day.

Answering a question *Sir M. Krishnan Nair*, Law Member, stated that the Government had passed orders to the effect that buttermilk would not be included in the diet of 'C' class prisoners. The Government, however, had not stated their reasons for coming to that conclusion in the order, but had plenty of reasons for the same. One of the reasons was that the number of civil disobedience prisoners on whose behalf alone this demand had been made had fallen considerably in number at the end of 1933, being roughly about 160.

A series of supplementary questions followed replying to which Sir Krishnan Nair stated that if the number of civil disobedience prisoners increased the Government would consider the question again.

REVENUE REMISSION

31st. JANUARY :—In spite of official opposition, the Council after a full day's discussion carried this evening, by 59 votes to 21, the non-official resolution recommending the Government to grant 25 per cent remission in the existing rate of assessment on all 'ryotwari' lands irrespective of wet or dry in the presidency during the 'fasli' 1343.

The Revenue Member opposing the motion referred to the remissions already granted to ryots as was necessary to relieve them from economic depression. He observed that Government would be setting a bad precedent if they allowed a high standard of concessions. Reorganisation of trade and proper marketing of commodities, he opined, might improve the conditions of agriculturists and added that special provisions were made for the relief of those who suffered from cyclone and floods. The Council then adjourned till the 21st. February.

BUDGET ESTIMATES PRESENTED

21st. FEBRUARY :—*Sir Hopetoun Stokes* was cheered when he announced in the Council to-day in the course of his budget speech that the revenue estimates for 1934-35 would close with a surplus of Rs. 4,46,000 and the Government proposed to retain this in their hands against unforeseen demands. The revised estimates for 1933-34 were expected to close with a small surplus of Rs. 61,000.

Referring to the proposal for reintroduction of cut in salaries the Finance Member observed that the Government had not seen their way to accept the suggestions which had been urged not only in the Council but in the press as the Government had given a pledge that the measure was an extraordinary and exceptional one adopted in the presence of financial difficulties so great as to amount to a national emergency, that it was a temporary expedient to which recourse would be had only so long as it was absolutely necessary and that relief from cut in salaries would take the first place when improvement in the finances should render this possible.

GENERAL DISCUSSION OF BUDGET

23rd. FEBRUARY:—The general discussion on the budget commenced in the Council to-day. Speakers generally criticised the Government for not reimposing the salary cut on Government servants and complained of inadequacy of relief given to ryots. The member from Coimbatore who initiated the discussion complained taxation and wasteful expenditure. The taxation in this province, he said, had never been limited to its needs and always been in excess of requirements. He suggested appointment of a small expert committee with experienced persons like Sir Norman Marjoribanks to do work on the lines of the Thomas Committee in Bombay to effect improvement in administration and retrenchment in expenditure. The member from South Canara pleaded for a well laid out plan for economic development of the province and urged the Government to see to it that the tax-paying capacity of the people was developed.

24th. FEBRUARY:—General discussion of the Budget was resumed to-day. Mr. J. K. Metherell, European Constituency, said that the financial position of the province did not warrant reimposition of salaries cut of the provincial and subordinate staff. Mr. Basheer Ahmed complained that the money realised through articles such as silver, silk, etc. smuggled from the French territory adjoining Madras presently filled the coffers of the Government of India, while it ought to be credited to the account of the Madras Government.

The Raja of Parlakemedi, while congratulating the Finance Member for presenting a balanced budget with a small surplus, felt that the relief granted to ryots was inadequate and suggested re-imposition of protective tariff and regulating prices with a view to help agriculturists in realising reasonable return for their produce.

8th. MARCH:—A proposal to change the hours of meeting of the Council from 2 p.m. to 6 p.m. was made by a non-official member to-day during the discussion of certain draft amendments to the standing orders of the Council as modified by the select committee of the House.

Dr. Subbarooyan, leader of the Opposition, supporting, said that the change would facilitate party work. Most of the mofussil members were opposed to the change as unsuitable. Mr. F. Birley, leader of the European group, welcomed the change but preferred the hours being fixed between 6 and 10 in the morning as that would suit the members of the business community.

Sir Mahomed Usman, leader of the House, said that as there was no unanimity among the non-official members regarding the hours of sitting, the best time to effect a change would be when the new Council came into existence.

The amendment was lost without division.

MADRAS CO-OPERATIVE SOCIETIES AMEND. BILL

19th. MARCH:—The Council passed to-day without any discussion the bill further to amend the Madras Co-operative Societies Act, 1932, sponsored by the Minister of Development. The bill provided for carrying on the normal work of co-operative societies and preventing stagnation during the period of supercession.

GRIEVANCES OF POLITICAL PRISONERS

20th. MARCH:—Despite repeated replies from the Government that after careful consideration they had decided that the supply of buttermilk to "C" class prisoners was not necessary, the question was again raised to-day in the Council by a cut motion when the Jail grant was under discussion.

A strong plea was also made for the release of Mr. P. Narayana Menon, a Moplah rebellion prisoner, who, it was pointed out, had been in jail for fourteen years. One member said that the Law Member should secure his release even as an act of grace before he laid down his office.

A member from Malabar said that the jail administration of the province was far behind other civilised countries. Condemning the system of convict warders he said that in no other country in the world such a system existed.

The Law Member having replied the cut motion was withdrawn.

The Council then passed the entire budget demand for police administration amounting to Rs. 1,52,94,100.

Sir Mahomed Usman, replying to the criticisms of the police administration, said that if he defended the police activities during the time of civil disobedience, it was because he was convinced that the police were in the right.

Referring to a plea for the abolition of the Malabar special police as a measure of retrenchment, the Home Member said that this could not be done in view of the circumstances under which it was established.

EDUCATION AND COMMUNALISM

22nd. MARCH :—“If India was to be a united nation, her children to whatever community they belonged should be taught in common schools, and separate schools should not be demanded”, said Dr. Subbarayan, the Opposition leader, supporting the Champion Scheme relating to consolidation and concentration of elementary education, which was opposed by some members of the minority communities, during the discussion on education grant to-day. The speaker hoped that the Minister would not yield to the clamour of oppositionists in regard to the scheme.

Sir A. P. Patro said that unless the spirit of communalism and compartmentalism was buried and unless they be imbued with the spirit of nationalism, the future reforms would not be a success. The speaker thought that the Champion Scheme of education was unworkable to rural areas.

The *Raja of Bobbili*, Chief Minister, replying said that Government were of opinion that the Champion Scheme ought to be given a fair chance, and in doing so the interests of no community should be sacrificed. He added that the proposal to amend the elementary Education Act was under consideration of the Government, and one of the provisions of the Bill was for the Government to take power in education of particular areas. The entire demand was voted.

CO-OPERATIVE LAND MORTGAGE BANK BILL

23rd. MARCH :—The House passed without division the third reading of the Bill to facilitate working of co-operative land mortgage banks in the Presidency. The Bill provided long term loans to owners of lands to enable them to discharge their debts and to carry out agricultural improvements and other like purposes thereby promoting thrift and self-help among them. The Local Government guarantee interest payable on debentures issued by the Central Land Mortgages Bank.

The House voted supplementary grants of both reserved and transferred departments of the Government aggregating to nearly four lakhs.

GOVERNOR ON WHITE PAPER

24th. MARCH :—The announcement of the extension of life of the Madras Council by one year from November next and an appeal to the hon. members and public generally to view the White Paper proposals and base their judgment on them as a whole and not piecemeal were the chief features of the Governor's address to the Council this afternoon. Regarding the extension of life of the Council the Governor said : ‘Owing to the uncertainty of the situation as regards when the Reforms will come into operation I have decided that the hon. members of this Council and the presidency generally shall not be subjected to expense and disturbance that a general election must necessarily entail and the life of this Council will be extended by one year from November next’.

Turning to the White Paper he said : ‘I intend to make only one reference to the White Paper which I consider to be *sub judice* at the moment. It is of course easy to pick out a sentence here and a proposal there and by these means condemn it. But I would ask the hon. members and the public generally to view the proposals and base their judgment on them as a whole and not piecemeal.’

Among the other matters touched by his Excellency was the appointment of an officer on special temporary duty from March 1 to study rice trade in the presidency to collect information and accurate data on the various points connected therewith. The materials collected by this office will be useful to the provincial marketing officer and the marketing board which the Government propose to appoint early next financial year. His Excellency hoped it would thus be possible to effect substantial improvement in the marketing of agricultural produce and minimise thereby the effect on the agriculturist of the recent severe fall in prices and also aid the general economic recovery of the province.

After the Governor's address the House proceeded to discuss the budget demands.

Vigorous protests were entered especially by the Catholic Christian members against the Government giving aid for birth control methods when the *Chief Minister* moved for Rs. 23,90,000 for public health grant which was fully made after which the remaining items of the budget were put from the chair and passed. The Council was then *prorogued*.

THE BOMBAY LEGISLATIVE COUNCIL

LIST OF MEMBERS

- 1 ABDUL LATIF HAJI KHAN, KHAN
BAHADUR
2 ACHREKAR, MR. ATMARAM
BHIMAJI
3 ALLAHBAHSH WALAD KHAN
SAHEB HAJI MAHOMED UMAR,
KHAN BAHADUR
4 AMBEDKAR, DR. B. R.
5 AMINUDDIN, MR. SAIYID
6 ANGADI, RAO BAHADUR S. N.
7 ARBUTHNOT, MR. C. W. E.
8 ASAVAL, RAO BAHADUR RAM-
CHANDRA SANTURAM
9 BAKHALA, MR. R. R.
10 BANGI, MR. ABDUL KADIR
JAMALUDDIN
11 BAXTER, MR. N. B.
12 THE HONOURABLE SIR SHAH
NAWAZ KHAN, GHULAM KHAN
BHUTTO (*Minister for Local Self-
Govt.*)
13 BHUTTO, MR. WADERO NABIBU-
KSH
14 BIJARANI, KHAN BAHADUR SHER
MUHAMMAD KHAN KARAM KHAN
15 BIRADAR, SARDAR MAHABOOBALI
KHAN MOHAMED AKBAR KHAN
16 BOLE, RAO BAHADUR SITARAM
KESHAV
17 BULLOCKE, MR. ALFRED GUY
GREVILLE
18 CHIKODI, MR. P. R.
19 CHITALE, RAO BAHADUR GANESH
KRISHNA
20 CLAYTON, MR. H. B.
21 COLLACO, DR. J. A.
22 COUSENS, MR. H. J. M.
23 DAULATRAO JAYRAMRAO ZUNZA-
RAO, MR.
24 DEHLAVI, THE HONOURABLE SIR
ALI MAHOMED KHAN, (*President*)
25 DESAI, RAO SAHEB BHAGWANDAS
GIRDHARDAS
26 DESAI, MR. HANMANTRAO RAM
RAO
27 DESAI, MR. SHANKARAPRA BASA-
LINGAPPA
28 DHALUMAL LILARAM, MR.
29 DIXIT, DR. M. K.
30 D' DOUZA, DR. JOSEPH ALBAN
31 FREKE, MR. C. G.
32 GANGOLI, MR. GANPATI SUBRAO
33 GARRETT, MR. J. H.
34 GAZDER, MR. MAHOMED HASHIM
35 GHULAM HYDER SHAH SAHIB-
DINO SHAH, MR.
36 GHULAM NABI SHAH MOUJALI
SHAH, KHAN BAHADUR
37 GILDER, DR. MANCHERSHA
DHANJIHBHAI
38 GOKHALE, MR. LAXMAN RAGHU-
NATH
39 GOVER RORA, MR.
40 GRAVES, MR. J. B.
41 HUMPHREY, MR. JOHN
42 JAM JAN MAHOMED KHAN *wilad*
JAM MAHOMED SHARIF, SAR-
DAR BAHADUR
43 JAN MAHOMED KHAN *wilad*
KHAN BAHADUR SHAH PASSAND
KHAN, KHAN BAHADUR
44 JITEKAR, MR. HAJI IERAHIM
45 JOG, MR. VISHWANATHRAO NA-
RAYAN
46 JONES, MAJOR W. ELLIS
47 KALBHORE, RAO BAHADUR GAN-
GAJIRAO MUKUNDRAO
48 KALE, RAO BAHADUR RAOJI
RAMCHANDRA
49 KAMAT, MR. B. S.
50 THE HONOURABLE DEWAN BA-
HADUR SIDDAPPA TOTAPPA KAM-
BLLI (*Minister for Agriculture*)
51 KARBHARI, MR. MANCHERSHAW
MANEKJI
52 KHUHRO, KHAN BAHADUR MU-
HAMMAD AYUB SHAH MUHAM-
MAD
53 KNIGHT, MR. H. F.
54 KULKARNI, RAO SAHEB PANDU-
RANG DNYANESHWAR
55 MADAN, MR. J. A.
56 MADHAVSANG JORBhai, MR.
57 MATCHESWALLA, MR. GULAM-
HUSSAIN EBRAHIM
58 MAXWELL, MR. R. M.
59 MEHERBAKSH, KHAN BAHADUR
S.
60 MEHTA, MR. MANILAL HARILAL
61 MITHA, MR. MAHOMED SULEMAN
CASSUM
62 MODAK, REV. R. S.
63 MOJI, SARDAR DAVAR TEMURAS
KAVASJI

- 64 MORE, MR. JAYAWANT GHANASHAM
 65 SARDAR RAO BAHADUR BHIMABHAI RANCHHODJI NAIK
 66 NAMDEORAO BUDHAJIRAO, MR.
 67 NAVLE, RAO BAHADUR NAMDEV EKNATH
 68 OWEN, MR. ALBERO CLIFFORD
 69 PANJABI, MR. K. L.
 70 PARULEKAR, RAO BAHADUR LAXMAN VISHNU
 71 PATEL, KHAN BAHADUR ALIBHAI ESBHAI
 72 PATEL, MR. BHAILAL SARABHAI
 73 PATEL, MR. CHATURBHAI NARSHIBHAI
 74 PATEL, KHAN BAHADUR WALI EUKSH ADAMBHAI
 75 PATIL, DEWAN BAHADUR DONGARSING RAMJI
 76 PATIL, MR. NARAYAN NAGOOG
 77 PATIL, RAO SAHEB VAMAN SAMPAT
 78 MR. VITHAL NATHU PATIL
 79 PRADHAN, RAO BAHADUR GOPAL RAO VAMAN
 80 PRATER, MR. S. H.
 81 RAFIUDDIN AHMAD, MOULVI SIR
 82 MR. HOOSENALLY MAHOMED RAHIMTULA
 83 RAJADHYKSHA, MR. G. S.
 84 RESALDAR, MR. ABDUL RAHMAN KHAN KARAM KHAN
 85 SAHEBSINHJI JUNANSINHJI, MR.
 86 MR. S. D. SAKLATVALA
 87 SERVAI, MR. A. E.
 88 SHAH ROOKH YAR JUNG BAHADUR
- 89 SHAIKH ABBUL AZIZ ABDUL LATIF, MR.
 90 SHAIKH ABDUL MAJID LILARAM, MR
 91 MR. RAMCHANDRARAO BAPURAO SHINDE
 92 SMART, MR. W. W.
 93 SMITH, LIEUT. COLONEL HARRY CYRIL
 94 SOLANKI, DR. PURUSHOTTAMRAI G.
 95 SOMAN, MR. R. G.
 96 SURVE, MR. A. N.
 97 SURVE, MR. VYANKAT ANANDRAO
 98 SYED MIRAN MAHOMED SHAH ZANULABDIN SHAH
 99 SYED MUHAMMAD KAMIL SHAH KABUL MUHAMMAD SHAH, KHAN BAHADUR
 100 SYED MUNAWAR, MR.
 101 TALPUR, KHAN BAHADUR HAJI MIR ALLAHADAD KHAN
 102 TALPUR, MIR BANDEHALL KHAN MIR MAHOMEAD HASSAN KHAN
 103 THAKOR OF KERWADA, SARDAR BHASHEB ALIAS DULABAWA RAISINGHJI
 104 TOLANI, MR. SATRAMDAS SAKHAWATRAI
 105 TURNER, MR. C. W. A.
 106 VAISHAMPYAN, DR. VISHNU GANEESH
 107 VAKIL, PESHTANSHAH N., MR.
 108 VANDEKAR, RAO BAHADUR RAMCHANDRA VITHALRAO
 109 WADKE, MR. BHOLANATH PURUSHOTTAM
 110 WINTERBOTHAM, MR. G. L.
 111 L. R. TAIRSEE
 112 VACANT

Proceedings of the Council

BUDGET SESSION—BOMBAY—19th. FEBRUARY to 23rd. MARCH 1934

GOVERNOR'S OPENING SPEECH

A strong appeal for co-operation between the Legislative Council and the Government was made by His Excellency the Governor in his opening speech at the budget session of the Bombay Legislative Council which commenced at Bombay on the 19th. February 1934.

His Excellency said that he was indeed fortunate in assuming office in a greatly improved political atmosphere. This, His Excellency regarded, as a vindication of the policy adopted in the past and expressed appreciation of the fact that the Council accorded its support to the Government in adopting that policy. He hoped that with the increasing spread of more sober and sensible political ideas the Bombay Emergency Powers Act would soon cease to be alive except in name.

Expressing grave concern at the continuance of economic depression and its effect on the resources of cultivators, the Governor said that the Government had been carefully studying the question and ensuring that district officers should keep them in closest possible touch with the position in the district.

After reviewing the political, economic and financial conditions, His Excellency said that with the improvement that had taken place in the situation it had been possible to discern some signs that those who had formerly supported subversive methods of political agitation were now applying their minds to their future programme as members of a political party within the proposed new constitution. He believed that this Council favoured what was described as the White Paper policy and strongly urged them to come out in definite and open support of that policy which was one of the best calculated to ensure progress on sound lines.

Financial Statement for 1934-35

After several lean years and deficit budget it is a matter of gratification to find that the Bombay Government have succeeded in balancing their budget for 1934-35, the general depression notwithstanding. The budget estimates presented by the Finance Member to the Council disclose that the Government had not only balanced their budget but made provision for a small surplus of Rs. 70,000 (income Rs. 1522.8 lakhs, expenditure Rs. 1522.1 lakhs, balance Rs. 70,000). This position, according to the Finance Member, is entirely owing to heavy retrenchments and improved revenue receipts.

The current year's final budget estimates have provided for a revenue deficit of Rs. 28 lakhs and no provision has been made for payment of debt. This position has been improved by nearly Rs. 44 lakhs as a result of combination of the Government's retrenchment policy and improvement in revenue receipts. Consequently, on the basis of information available upto the end of January, the revised estimate provided for a surplus after payment of the debt instalment to the Government of India due in the current year (Rs. 11 and a half lakhs). Retrenchments to the extent of Rs. 40 lakhs were effected in the total expenditure.

The estimates of land revenue and irrigation receipts, says the Finance Secretary in his introductory note, have been framed after taking into account the probable effect on the next year's collections of cold weather in December and January to the extent of 8 lakhs reported upto the end of January. There may be some additional loss of revenue on account of recurrence of frost towards the end of January, reports regarding which have not been received when the budget estimates were prepared.

Sir Ghulam Hossain Hidayatullah, Finance Member, struck an optimistic note, presenting the budget estimate for 1934-35 and said that he was in a happier position than his predecessor in that he was able to inform the House that the Government had every reason to hope that the current year's accounts would show a small surplus and the budget would be a balanced one.

One of the disturbing factors, the Finance Member said, was that the mill industry in the city was experiencing grave difficulties and the condition of the industry must always have serious reactions upon the general prosperity of the presidency. In addition there was evidence of a powerful trend towards diversion of cotton and other trades from the port of Bombay to other trading centres and this again, unless checked, would have its effect on their revenues.

GENERAL DISCUSSION OF BUDGET

20th. FEBRUARY:—Discussion on the budget in the Council was opened to-day by Rao Bahadur Kale, leader of the Opposition, who described the budget as neither a good one for achievement to the credit of the Finance Member. He deplored that the present grades in provincial services were enhanced in 1933 on a promise of reduction when the prices went down. But despite a tremendous fall in prices that was not done.

Rao Bahadur Bhimabhai R. Naik and Mr. B. S. Patel also criticised the budget as unsatisfactory and disappointing. Mr. Jehangir Petit said that the budget was essentially a deficit budget wrongly described as a surplus one in view of the proposed re-enactment of the Finance Act, 1932, involving Rs. 20 lakhs as additional taxes and continued imposition of road tolls of Rs. 8 lakhs.

21st. FEBRUARY:—Mr. W. G. Lely (Bombay Chamber of Commerce) opening to-day's budget discussion severely criticised continuance of emergency taxation, termi-

nation of which was definitely promised last year. He deplored the levying of road tolls and electricity duty particularly. The Bombay Chamber of Commerce, he said, was determined to see that these two obnoxious and anti-diluvian forms of taxation were discontinued.

Mr. R. R. Bakhale representing labour said that the Government should pause and consider why despite profuse protection Bombay's textile industry was in a bad plight. Thousands of workers had been rendered workless and yet the millowners' profits were *nil*. The only remedy, therefore, in his opinion lay in the eventual nationalisation of the cotton textile industry.

Sir Ghulam Hussain Hidayatullah :—Will millowners agree?

Mr. R. R. Bakhale :—You will have to make them agree. If Indian railways could be nationalised, he saw no reason why the textile industry could not be.

22nd. FEBRUARY :—Strong criticism of the Government's decision to continue emergency taxation, condemnation of levy of road toll, attack on the Government excise and educational policies, demand for immediate action to relieve agricultural distress and measures to counteract the evil of increasing diversion of trade from the port of Bombay to that of Bhavangar which was threatening to wipe out Bombay's position as the premier port of India and exhortation to the Government to take prompt measures to rehabilitate the languishing cotton textile industry of Bombay on whose prosperity depended the well-being and prosperity of the city were the main features of some of the speeches made by the members of the Council to-day when the general discussion on the budget proposals was concluded.

Major W. Ellis (nominated European) stressed the necessity to take prompt measures to check diversion of trade from Bombay port which, he said, was threatening the very existence of Bombay as the premier port in India. He also urged immediate attention of the Government to the mill industry which was gradually languishing.

Mr. M. K. Dixit (Surat district) criticised the Government's excise policy and said that they had gone back on their previous decision to pursue the "dry"

Mohammad Suleman Mitha (Bombay city) emphasized the urgency of taking prompt measures to check the menace of diversion of trade from Bombay and urged as a first step immediate abolition of town duty on cotton. He suggested an enquiry by an expert committee into the affairs of the port trust with a view to reducing their charges.

Mr. J. B. Greaves (Bombay Chamber of Commerce) contended that the continuation of road toll heavily told on agriculturists and, therefore, urged its abolition.

Syed Miran Mohammad Shah (Sind) deplored that the Government of Bombay like other provincial Governments had not come out with constructive suggestions and measures to relieve distress among agriculturists. He urged the Government to take immediate action.

Khan Bahadur Cooper, Minister for Local Self-Government, justifying the continuation of tolls, said that at the conference in Poona of representatives of district and local boards an agreement was not reached and the local bodies objected to the abolition of tolls as that would encroach on their statutory powers. However, he assured the House that the Government were having under their consideration a proposal to relieve districts and it would be announced shortly.

Divan Bahadur Kamblé justified the Government's excise and educational policies and said that they were doing their utmost to improve matters.

Sir Ghulam Hussain Hidayatullah, winding up the debate, said that the various interests represented in the Council had suggested the abolition of particular taxes but he asked the House how the Government would carry on if all the suggestions were carried out. He reminded the House that the Government this year had balanced the budget and had not brought forward proposals for additional taxation. In conclusion, he hoped the House would pass the budget.

Mr. R. D. Bell, Home Member, in the course of his reply to criticisms raised by certain members regarding the continuance of emergency powers said that the operations under the Special Powers Act of 1932 were of twofold nature—one was action by punishment and the other preventive action.

In 1932 prior to the operation of the Special Powers Act there were nearly 13,000 convictions under the Ordinances and other Penal Acts. Over 8,000 of them took place in the first four months of that year and the rest during the remaining eight months. At the end of the year the number of persons still in jail was a

little less than 4,000. The number of civil disobedience prisoners reached a maximum by the end of June, 1932, when it was over 7,000 but at the end of that year, however, the number was 3,939. In 1933 the convictions numbered 1,900 as against 13,000 in the previous year. By the end of January last it fell still further to 877.

With regard to preventive measures before the Special Powers Act came into existence, at the end of 1932 the number of restrictive orders still in force was 1,084 out of over 2,000 issued. In 1933 the number of new orders issued was 579. Proceeding, the Home Member referred to the promise made by his predecessor at the time of passing the Special Powers Act that the Government would carefully review the orders issued. A special review by the Government had the effect of cancelling 202 restrictive orders. This number was exclusive of those modified by the Government. As a result of a statutory review 256 more orders were cancelled. Thus it would be seen that 458 orders had been cancelled by the Government at those two reviews. The actual reduction to date was considerably greater. At the end of January last despite issue of 579 new orders the total number had fallen from 1,084 to 652 so that the total cancellations up-to-date were over a thousand.

In conclusion, the Home Member said that the situation in the presidency had been brought under control but the sting was still there and therefore the Government had to keep emergency measures.

SIND ENCUMBERED ESTATES AMEND. BILL

23rd. FEBRUARY :—The Council took up non-official Bills to-day. Mr. S. S. Tolani's Bill to amend the Sind Encumbered Estates Act was lost after a considerable discussion. All Sind members opposed the Bill and speeches generally followed communal lines. The Bill was intended to shift the final appellate power in suits relating to Encumbered Estates from the Commissioner to the District Judge.

The Hon'ble Sir Ghulam Hussain Hidayatullah, Leader of the House, vehemently opposed the Bill taunting those who, during three days' budget discussion, claimed to be friends of the agriculturists and yet supported the Bill which was calculated to tighten the money-lender's grip on agriculturists.

Government opposing it, the Bill was lost without a division.

THE RENT CONTROL BILL

Mr. R. R. Bakhle moved the Bill relating to rents of premises in Bombay Presidency. He had not concluded his speech when the Council adjourned.

24h. FEBRUARY :—Discussion on Mr. R. R. Bakhle's Rent Control Bill in the Council was enlivened by the production of a petition signed by Bombay tenants supporting the Bill and by Mr. J. B. Petit, representative of the millowners, who vehemently opposed the motion, on the ground of interference of rights of private individuals. He said : "Can you impose arbitrary restrictions on the right of private individuals and obstruct normal operation of the laws of supply and demand?" Nominated non-officials supported the motion. Discussion followed the traditional *Leissser-faire* versus State control lines. Discussion had not closed when the House adjourned.

BOMBAY TEXTILE INDUSTRY

An important announcement touching the textile industry which may have a far-reaching effect on the future of the working classes was made by Sir Ghulam Hussain Hidayatullah in the Council to-day. He said that the Government had decided to institute an inquiry through the labour office to ascertain the following facts :—(a) the extent of reduction of the wages of cotton mill worker since Jan. 1 1926; (b) whether the reduction was uniform in each centre (c) whether the cost of living of the working classes had fallen, and if so, to what extent; (d) the average rise and fall in wages in various centres; (e) the reasons of the effected or contemplated reductions; (f) the extent of rationalization, for example, 'efficiency schemes' introduced and the effect thereof on the wages and conditions of work of operatives; and (g) the extent of unemployment and causes.

Sir Ghulam Hussain said that it was desirable that the fullest possible information be obtained and made available to the public. The Government had instructed the labour office to make special investigation after considering the evidence, written or oral, submitted by the interests concerned.

The announcement preceded Mr. R. R. Bakhle's motion of adjournment to consider the Sholapur situation which, therefore, fell flat and failed to secure permission to proceed with discussion for want of a requisite number of backers.

THE FINANCE BILL

The Finance Member then moved the first reading of the Finance Bill. Referring to the electricity duty, he said that companies declaring 10 or 12 per cent dividends deserved no concessions. After discussion the Council passed the first reading of the Bill. Earlier in the day, Mr. Humphrey, European member, had tabled an amendment to the bill suggesting to the Government to abolish the town duty on the import of cotton into the city but dropped his amendment finding that he had not received support for his amendment.

27th. FEBRUARY :—Before the Council adjourned to-day it passed demands for supplementary grants, including a grant of Rs. 1,066 for flood relief which the Government spent anticipating the sanction of the Council. A sum of Rs. 750 was granted for expenses of the Regional Committee formed to select Bombay's works of art etc., in India Society's Exhibition in London of Modern Indian Art. There was a breeze in the Council during the discussion of a supplementary grant for the staff engaged in recovering co-operative societies dues from debtors.

Rao Bahadur G. K. Chitale objected to the use of the phrase "false statement" by Mr. N. E. Navle and demanded withdrawal which Mr. Navle refused. Mr. Chitale persisting Mr. Navle said: You say a certain statement is right. I say it is false and can prove it is false".

The President intervened and said that the expression was unparliamentary.

Mr. Navle withdrew, substituting the word 'incorrect.'

The Finance Bill was passed without division.

VOTING ON BUDGET GRANTS

28th FEBRUARY :—The budget grants and motions for their omission or reduction were considered in the Council to-day.

Rao Bahadur B. R. Naik expressed disapproval of Governments' policy regarding takavi loans and moved a reduction of expenditure under 'loans and advances by Government' to the extent of Rs. 1,000. The motion, however, was rejected.

Another motion which caused a keen discussion was Mr. M. H. Gazdar's motion to omit Rs. 63,825 earmarked for the staff which is looking after and trying to sell the Sukkur barrage machinery that is now unnecessary. Mr. Gazdar, Sheikh Abdul Majid, Syed Miran Shah, Mr. Mohammad Shah, Khan Bahadur Allah Bakhsh, Sind Members and several members of the nationalist benches deplored continuation of expenditure on the staff which the Government gave an undertaking to disband last year. After the reply of the Home Member the house divided and the cut motion was defeated by 39 against 25 votes.

2nd. MARCH :—Mr. B. S. Kamat's (nominated non-official) adjournment motion discussing the Government of India's budget proposals so far as they relate to Bombay and the treatment meted out to this presidency, was passed unanimously by the Council. Mr. Kamat said Bombay was worst hit by the duty on sugar, the industry here being differently situated from Bihar and U. P. where there is a scramble for investment in sugar. The excise duty on matches was imposed to help Bengal which seemed to be the 'favourite child.' Actually Bengal had behaved badly ever since the introduction of reforms. Law and order cost more there and terrorism continued and Bengal was the 'naughty child'. It was wrong to penalise Bombay for her goodness.

Mr. W. G. Lely, chairman of the Bombay Chamber of Commerce (European), supported the motion though disagreeing with some arguments of the previous speaker. 'I disapprove of the suggestion that this House is jealous of the windfall to Bengal.' But Bombay had her own difficulties and her balanced budget was more superficial than real. The cotton trade was threatened by other ports and the situation would be delicate if the town duty was removed as it must be.

Mr. Petit (Bombay millowners) said that 19 million matches were manufactured in India of which half were in Bombay. Bengal was not the only province in difficulties, but Bombay made no attempt to reduce the difficulties that the deficit created for them.

Mr. Hoosein Ali Mahomed Rahmattulla said that God helped those who helped themselves, but the Government of India helped those who did not help themselves.

Calcutta was no longer the capital, yet the Government was not immune from Calcutta influences which was proved by the Government of India's sanction of the terminal tax in Calcutta and its rejection in Bombay.

Mr. N. E. Navle, Rao Bahadur G. K. Chitale, Mr. R. P. Bakhale and Mr. P. K. Chikodi also spoke. The Finance Member merely said that the Bombay Government would forward the debate to the Government of India with their own comments.

3rd. MARCH:—The Council continued discussion of the budget grants to-day, the Government's policy regarding Irrigation department and construction works coming in for considerable criticism.

Mr. M. H. Gazdar supporting Rao Bahadur B. R. Naik's Rs. 1,000 cut from the demand of Rs. 48,13,000 for construction of irrigation works, referred to the continued excessive expenditure on Sukkur Barrage.

On the Home Member's assurance that Government and that in fact they had less money than needed, the House allowed Mr. B. R. Naik to withdraw his motion.

Rao Saheb P. D. Kulkarni moved a cut of Rs. 100 from the demand for Rs. 6,19,000 for unproductive irrigation works, but the motion was lost.

Syed Mohammed Miran Shah opposed the total demand to avail of the opportunity to discuss the condition of zamindars in Sind.

7th. MARCH:—Strong criticism of Government's policy in regard to Sind P. W. D. was made by Mr. M. H. Gazdar (Karachi city) who moved a token cut of Rs. 19,70,000 under the head Civil Works (Provincial). The mover pointed out that even if his cut motion was accepted there would still remain a balance of Rs. 14,83,000 which was quite sufficient for the administration of P. W. D. of Sind. Further he said that in the pre-Barrage days expenditure under this head varied between Rs. 11 and 12 lakhs yearly. Besides this the volume of work had remained the same to-day and facilities for inspection and scientific regulation of work had increased. Hence on the old scale the P. W. D. staff should be able to turn out more work than before. On the other hand at present the expenditure had increased by nearly $2\frac{1}{2}$ times. He demanded immediate reduction of excessive extravagance in the P. W. D. staff. In conclusion he suggested that it was high time that the "war veterans", namely, engineers and other emergency staff employed during the construction of the Barrage were now disbanded.

The Finance Member said that Government was reducing the P. W. D. establishment from time to time. Even in next year's budget there was a provision for the reduction of expenditure to the extent of Rs. 200,000. The discussion had not concluded when the House adjourned.

9th. MARCH:—Great satisfaction with the attitude of the Government towards labour problems was expressed by several non-official members to-day.

Mr. P. R. Bakhale suggested that a machinery should be set up by Government with the object of settling disputes between the employers and the employees.

The Government's policy towards mill strikes was deplored by Dr. Vaishampayan.

Dr. Solanki opined that if the present policy continued the workers would imbibe ideas of communism which would ultimately prove disastrous.

The viewpoint of the millowners was voiced by Mr. J. B. Petit (representative of Bombay millowners) who pointed out that he was in full sympathy with some of the suggestions put forward by the Opposition. However, it was only under the stress of financial stringency and the industrial crisis that the millowners had unwillingly reduced the wages. In his opinion at present such a cut was not only absolutely necessary, but also overdue.

Mr. R. D. Bell (Home Member) replying to the criticism against Government's policy said the Government's attitude towards labour questions was to give free scope as far as possible to the employers and the employees to settle the disputes among themselves. Referring to the establishment of a machinery to deal with problems relating disputes between capital and labour, the Home Member stated that there was no necessity of such a department as the relations between the workers and the millowners were more cordial than before. As regards the proposed enquiry into the conditions of the textile industry undertaken by Government, Mr. Bell made it clear that it would not attempt to interfere in any way with the relations between the labourers and the millowners.

14th. MARCH :—The Council concluded its discussions on the budget grants to-day. A keen debate took place on the question of land revenue. Several non-official members pointed out that since the prices of agricultural commodities had fallen considerably during the past three years, the rate of assessment should be revised and not kept at the present level. Some members also urged upon Government the desirability of radically amending the provision of the Land Revenue Code. Mr. *M. M. Karbhari* blamed the Government for not doing anything substantial for the agriculturists. *Sheikh Abdul Majid* insisted upon the revision of rates of land revenue assessment on some equitable basis. Mr. *M. H. Gazdar* emphatically demanded legislation on the lines of the Punjab Land Alienation Act. He said all this was urgently required if the peasantry was to be saved from turning into Bolsheviks or dangerous dacoits. Mr. *J. H. Garrett*, Commissioner, Northern Division, denied the suggestion that the position of the farmers was seriously bad. Mr. *G. S. Gangoli* said that in 1932 Government had promised remission of 4 annas in the rupee but so far they had not fulfilled their promise.

Sir *Ghulam Hussain Hidayatullah*, Revenue Member, replying to the debate referred to the amending of the provision of the Land Revenue Code and said that the present Council was not fully representative. It was mainly composed of land-holders. The reformed council under the new constitution will take up legislation wherein with wider franchise all sections of the public will be represented. As regards the reduction in the land revenue he pointed out that its advantage went to the landlords and only petty fractions went to the cultivators, the real tillers of the soil. He appealed to the House not to be moved by selfish interests. In conclusion, he admitted that Government had known that the prices had gone down and 'so we have given liberal remissions to the agriculturists'. The House then adjourned.

DUAL CONTROL OF SCHOOLS

15th. MARCH :—The dual control of the secondary schools by the Government and the Bombay University was the subject of an interpellation in the Council to-day.

The Minister for Education in his reply admitted that dissatisfaction had been expressed in some quarters regarding this dual control of the secondary schools. As regards the Government's intention to remove the cause of discontent by doing away with the system of dual control, the hon. Minister drew the attention of the House to the report of the director of public instruction for 1932-33, who had commented upon this question as follows: 'The University exerts considerable influence over the course followed in secondary schools through its matriculation examination. It also registers schools for this examination and a school applying for registration is inspected by a special committee appointed by the University for the purpose in order to ascertain whether it is fit to be registered. It may be questioned whether this inspection by a committee of the University is necessary and whether it would not be better for the University to register all schools which have been recognised by the Education department.'

In conclusion, the Minister pointed out that Government saw no reason to doubt that the University would co-operate with them in improving the present system.

THE MINISTRY CRITICISED

16th. MARCH :—The present Ministry of the Bombay Government was severely criticised by several members of the Council to-day when *Rao Bahadur Chitale*'s motion to present an address to the Governor praying that early steps be taken to reconstitute the Ministry in a manner which will be in consonance with the spirit of the Montagu-Chelmsford Reforms, as the appointment of the present Ministers was made from a small group and as those appointments were not likely to carry weight and were not in the best interests of the Presidency, came up for discussion.

Rao Bahadur Chitale pointed out that the spirit of joint responsibility had not grown among the Ministers since the introduction of the Montagu-Chelmsford Reforms and the responsibility of individual Ministers depended upon the strength of the communal groups joining together. More often than not, the Ministers had to rely on official benches for support. This showed the desirability and the necessity for appointing the best men who had ability to deal with their colleagues in an effective manner. He deplored that, during the last six years, Ministers had encouraged the communal outlook and ignored pressing political problems. Further, the present Ministers were not leaders of popular opinion, possessing their own views and having courage and influence to force their views on the Government.

On the contrary, they gave valuable assistance to the Government and only carried out official behests.

Mr. J. B. Petit, supporting the motion, deplored that the present Ministers never gave a lead to the House towards the goal of Self-Government.

Sir Ghulam Hussain, Leader of the House, refuting the charges against the Ministers, said that it was no fault of the Government if Hindus could not combine and asserted that the present Ministry enjoyed the confidence of a majority in the House and worked in a spirit of joint responsibility. The motion was rejected.

TOWN DUTY ABOLITION BILL

19th. MARCH:—The Bill abolishing the Town Duty on Cotton, which was introduced by the Finance Member to-day, went through all stages in 2 and a half hours and was passed into law.

The Finance Member, moving the first reading of the Bill declared: "I hope the abolition of the Town Duty will bring prosperity not only to the City of Bombay but to the whole presidency". He pointed out that by agreeing to the step the Government were sacrificing revenue of about 10 and a half lakhs. He hoped that the action of the Government would meet with universal satisfaction. He concluded that this measure would give relief to trade, industry and the agriculturists.

Several members on behalf of the Municipal Corporation said that already the finances of the Municipality were in a dilapidated condition and with the abolition of the Town Duty, they would find themselves in a very difficult position. They appealed to the Government to grant either a subvention or some other sources of revenue to meet the efficiency.

Mr. J. B. Petit (Bombay Mill-owners) supporting the Bill considered it to be an act to give relief to agriculturists. However, he trusted the Government would not impose additional taxes with the object of meeting the deficiency made by the abolition of the Town Duty. Mr. A. V. Surve, opposing the measure, moved that the first reading of the Bill be postponed till the next day. This was, however, rejected by the House. Khan Bahadur Khuro pleaded that the Government should help agriculturists in Sind in a similar manner. Mr. Lely (Chamber of Commerce) supporting the Bill, pointed to the diversion of both export and import trades of Bombay to Kathiawar Ports and its resultant effects on the revenues of the Government of India.

After the reply of the Finance Member, the first reading was put to vote and carried by the House, only one member dissenting. Within the next 15 minutes the second and third readings of the Bill were passed by the House. The law came into operation from April 1st.

20th. MARCH:—The Council passed to-day the official Bill officially designating "untouchable classes" as the word "Untouchable" was stated to be offensive.

GOTV. SERVICE FOR BACKWARD COMMUNITIES

23rd. MARCH:—The Council was prorogued by the Governor to-day. Prior to adjournment a resolution tabled by Dr. Solanki recommending to the Government that so long as suitable candidates from amongst the backward communities possessing the minimum requisite qualifications for Government posts were available, no recruitment should be made from other advanced communities whose quota percentage had reached or is above the ratio laid down to any posts in the several departments of the Government, was rejected by the House, the Government benches opposing. Dr. Solanki pointed out that backward communities included more than eighty per cent of the population of the presidency but all Government services were monopolised by Brahmins and other advanced classes who formed only 12 per cent of the population. Mr. Abdul Majid Sindhi regretted that his community was not getting justice and that the Indianisation of the services was being carried by Government at a slow pace.

Sir Ghulam Hussain Hidayatulla, Finance Member, said that the Government had every sympathy with the aspirations of backward communities and assured the House that they were doing their best for them. He pointed out that the vexed question of the composition of the services was an All-India one.

When the motion was put to vote it was lost by 25 votes to 33, official members opposing. The Council was then prorogued.

THE U. P. LEGISLATIVE COUNCIL

LIST OF MEMBERS

- 1 THE HON'BLE SIR EDWARD BLUNT
(*Finance Member*)
- 2 THE HON'BLE KUNWAR JAGDISH PRASAD (*Home Member*)
- 3 THE HON'BLE NAWAB SIR MUHAMMAD YUSUF (*Minister for Local Self-Govt.*)
- 4 THE HON'BLE SIR JWALA P. SRIVASTAVA (*Minister for Education*)
- 5 MR. J. M. CLAY
- 6 MR. J. L. SATHE
- 7 MR. P. MASON
- 8 MR. P. M. KHAREGAT
- 9 MR. A. A. WAUGH
- 10 MR. L. S. WHITE
- 11 MR. A. H. MACKENZIE
- 12 RAI BAHADUR PANDIT SURAJ DIN BAJPAI
- 13 RAI BAHADUR MR. PHUL CHAND MOGHA
- 14 KHAN BAHADUR SAIYID AINUD-DIN
- 15 KHAN BAHADUR SAIYID ABDUL HASAN
- 16 MR. E. F. OPPENHEIM
- 17 MR. H. A. LANE
- 18 MR. D. L. DRAKE-BROCKMAN
- 19 MR. R. F. MUDIE
- 20 MR. S. T. HOLLINS
- 21 LADY KAILASH SRIVASTAVA
- 22 KHAN BAHADUR MAULAVI FASIH-UD-DIN
- 23 CAPTAIN K. O. CARLETON
- 24 MR. E. AHMAD SHAH
- 25 RAI SAHIB BABU RAMA CHARANA
- 26 ME. PEEMA
- 27 RAI BAHADUR BABU AWADH BEHARI LAL
- 28 RAI BAHADUR BABU KAMTA PRASAD KAKKAR
- 29 CHAUDHURY RAM DAYAL
- 30 CHAUDHURI JAGARNATH
- 31 THE HON'BLE SIR SITA RAM (*President*)
- 32 CHAUDHURY BALDEVA
- 33 RAI SAHIB SAHU JWALA SARAN KOTHIWALA
- 34 MR. TAPPURAM
- 35 PANDIT MOTILAL BHARGAVA
- 36 RAJA BAHADUR KUSHAL PAL SINGH
- 37 CHAUDHRI RAM CHANDRA
- 38 CHAUDHURI GHASITA
- 39 RAI BAHADUR CHAUDHRI RAGHUVRAJ SINGH
- 40 CHAUDHRI ARJUNA SINGH
- 41 RAO BAHADUR THAKUR PRATAP BHAN SINGH
- 42 RAO SAHIB THAKUR SHIVA DHYAN SINGH
- 43 RAI BAHADUR KUNWAR GIRWAR SINGH
- 44 PANDIT JOTTI PRASAD UPADHYAYA
- 45 CHAUDHRI DHIRYA SINGH
- 46 RAO KRISHNA PAL SINGH
- 47 RAI BAHADUR KUNWAR DHAKAN LAL
- 48 THAKUR BALWANT SINGH GAHLOT
- 49 RAI BAHADUR MR. BRIJ LAL BUDHWAR
- 50 RAO BAHADUR KUNWAR SARDAR SINGH
- 51 RAI BAHADUR BABU MANMOHAN SAHAI
- 52 BABU RAM BAHADUR SAKSENA
- 53 LALA SHYAM LAL
- 54 RAI SAHIB BABU KAMTA NATH SAKSENA
- 55 KUNWAR JAGBHAND SINGH
- 56 THAKUR KESHAVA CHANDRA SINGH
- 57 MR. BRIJNANDAN I AL
- 58 RAO NARSINGH RAO
- 59 RAI SAHIB RAM ADHIN
- 60 MR. BHONDU RAM
- 61 MAHARAO RAJA BAHADUR RAM SINGH RAO BAHADUR
- 62 CHAUDHURI BHAROS
- 63 PANDIT SHRI SADAYATAN PANDE
- 64 RAJA SRI KRISHNA DUTTA DUBE
- 65 RAI BAHADUR BABU JAGADEVA ROY
- 66 MR. DAHARI
- 67 RAI SAHIB RAI RAJESHWARI PRASAD
- 68 BABU ADYA PRASAD
- 69 RAI BAHADUR THAKUR SHIVAPATI SINGH
- 70 THAKUR GIRIRAJ SINGH
- 71 PANDIT PREM BALLABH BELWAL
- 72 THAKUR JANG BAHADUR SINGH BISHT
- 73 SARDAR BAHADUR THAKUR NARAYAN SINGH NEGI

74	PANDIT BRAHMA DUTT BAJPAI ALIAS BHAIYA SAHIB	100	HAJI M. NISARULLAH
75	RAI BAHADUR THAKUR HANUMAN SING	101	KHAN BAHADUR SAIYID ZAHID ALI SABZPOSH
76	RAI BAHADUR LAL SHEO PRATAP SINGH	102	KHAN BHADUR SHAIKH GHULAM HUSSAIN
77	KUNWAR DIWAKAR PRAKASH SINGH	103	KHAN BAHADUR HAFIZ GHAZANFARULLAH
78	THAKUR MUNESHWAR BAKHSH SINGH	104	KHAN BAHADUR SAIYID JAFER HOSAIN
79	THAKUR JAIN德拉 BAHADUR SINGH	105	KHAN SAHIB SHAIKH AFZAL-UD- DIN HYDER
80	RAJA JAGDAMBIKA PRATAP NARAYAN SINGH	106	KHAN BAHADUR MAULVI MUHAMMAD FAZL-UL RAHMAN KHAN
81	RAJA AMBIKESHWAR PRATAP SINGH	107	KHAN BAHADUR SIRDAR MUHAMMAD SHAKIRDAD KHAN
82	RAJA BIRENDRA BIKRAM SINGH	108	KHAN SAHIB MUHAMMAD IMTIAZ AHMAD
83	RAI BAHADUR KUNWAR SURENDRA PRATAP SAHI	109	RAJA SAIYID MUHAMMAD SA'DAT ALI KHAN
84	MR. C. Y. CHINTAMANI	110	SHAikh MUHAMMAD HABIB- ULLAH
85	RAI RAJESHWAR BALI	111	RAJA SAIYID AHMAD ALI KHAN ALVI
86	MR. ZAHUR AHMAD	112	RAJA SIR MUHAMMAD EJAZ RASUL KHAN
87	SYED ALI ZAHEER	113	RAJA SAIYID MUHAMMAD MEHDI
88	KHAN BAHADUR MR. MUHAMMAD ABDUL BARI	114	MR. L. M. MEDLEY
89	SYED YUSUF ALI	115	RAI BAHADUR LALA ANANDA SARUP
90	KHAN BAHADUR MUHAMMAD MAQSUD ALI KHAN	116	RAI BAHADUR LALA BIHARI LAL
91	KHAN BAHADUR SHAH NAZAR HUSAIN	117	CHAUDHRI MUHAMMAD ALI
92	CAPTAIN NAWAB MUHAMMAD JAMSHED ALI KHAN	118	THAKUR RAMPAL SINGH
93	NAWABZADA MUHAMMAD LIA- QUAT ALI KHAN	119	RAJA BISHESHWAR DAYAL SETH
94	HAFIZ MUHAMMAD IBRAHIM	120	RAJA JAGANNATH BAKHSH SINGH
95	MR. MUHAMMAD RAHMAT KHAN	121	Mr. TRACY FRENCH GAVIN JONES
96	KHAN BAHADUR HAJI MUHAMMAD OBайдUR RAHMAN KHAN	122	RAI BAHADUR BABU VIKRAMAJIT SINGH
97	KHAN BAHADUR MUHAMMAD HADIYAR KHAN	123	MUNSHI GAJADHAR PRASAD
98	KHAN BAHADUR HAFIZ HIDAYAT HUSAIN	124	LALA MOHAN LAL SAH
99	KHAN BAHADUR MAULVI SAIYID HABIBULLAH	125	MR. RADHEY SHIAM RASTOGI

Proceedings of the Council

BUDGET SESSION—LUCKNOW—15th. FEBRUARY to 23rd. MARCH 1934]

U. P. AGRICULTURISTS' RELIEF ACT

Much surprise and disappointment was being felt in the lobbies, particularly among landlord members, owing to the fact that no announcement was made by the Government when the Budget Session of the U. P. Legislative Council opened at Lucknow on the 15th. February 1934, regarding acceptance by the Governor and the Governor-General of the Agriculturists' Relief Act, passed in the last session.

THE U. P. LEGISLATIVE COUNCIL

[LUCKNOW—

The measure was promoted by the Government to give relief to agriculturists by reducing their liability as regards interest and extending the period for redemption of mortgages of agricultural land. The Council liberalised a great deal, the provisions in the original Bill. It was surmised that the Bill might be sent back for reconsideration of certain clauses hitting money-lenders.

NON-OFFICIAL RESOLUTIONS

16th. FEBRUARY :—The Council devoted the day to private resolutions. As the result of to-day's discussion the Waqf Bill was referred to a select committee, after the government had made it clear that the Select Committee would be entitled to make any change it liked provided the principle was not changed.

The Minister for Education replying to the resolution on the development of cottage industries outlined the future policy of the Government who had adopted a five years' programme concentrating attention on a few selected large scale industries like sugar and on marketing facilities for development of cottage industries, and of assistance to small traders and businessmen by providing training.

The last resolution urged for speedy settlement of agricultural debts. The Finance Member accepting this resolution said various schemes were under consideration.

BIHAR EARTHQUAKE RELIEF

17th. FEBRUARY :—Replying to a question the Finance Member said damage to the province by the earthquake was not serious and practically there had been no damage to crops. Enquiry by the District Officers showed that no relief measures were necessary.

Of the two resolutions tabled relating to earthquake damages, the first which asked for loans to persons in the affected areas for construction of houses on a moderate term was accepted by the Government.

The other recommending a donation of two lakhs to the Bihar Government for helping the victims of the earthquake was rejected as the Government were helping already in kind to the extent of half a lakh.

The resolution recommending the establishment of girls' high school in the districts where they do not exist was accepted after amending that schools be established on the recommendation of the Chief Inspectress of schools on the proposal of the district or the municipal boards.

19th. FEBRUARY :—Lobby conversations to-day pointed to the certainty of the Agriculturists' Relief Bill passed in the December session and now awaiting the Governor's assent being referred back to the Council during the current session for reconsideration of certain clause, which in the Government's opinion, are too hard upon creditors. While the Government were maintaining strict secrecy, public anxiety regarding the fate of the measure, which afforded considerable relief to agriculturist-debtors daily increased and it was voiced on the floor of the House by the Deputy President, Nawabzada Liaquat Ali Khan. Mr. C. Y. Chintamani, Opposition Leader, however opined that he would be the first to join public protests, if the measure was going to be guillotined, but as a matter of fact, it was only going to come back to the Council so that without any fear of injustice being done to debtors, too much injustice might not be done to creditors.

The Finance Member said that Mr. Chintamani's optimism was nearer the truth than the Deputy President's pessimism.

The Finance Member replying to question of reducing the interest on the agricultural loans advanced by the Government, said that rates had been reduced by a half per cent. The Government agreed to consider the question of payment of agricultural loans by easy instalments.

The Minister for local self-government presented the select committee reports on U. P. Municipalities and District Board's Amendment Bills to bar Civil Courts' interference in election petitions. In spite of Mr. Chintamani's opposition the two Bills were passed.

Another Bill amending the U. P. Town Areas Act so as to allow enhanced taxation to provide for contribution to District Boards was also passed.

21st. FEBRUARY :—The Bills amending the Agra Tenancy and Oudh Rent Acts were passed to-day.

The *Finance Member* moved recommending to the Government the continuance of the capital programme including the hydro-electric projects, advances to local bodies and cultivators, pension, commutations and tube well construction. The resolution was welcomed by both officials and non-officials as of immense value to agriculture and cottage industries.

Rai Rajeswar Bali, ex-Minister and member of the enquiry committee for the extension of the hydro-electric scheme, dealt at length with its usefulness.

FINANCIAL STATEMENT FOR 1934-35

23rd, FEBRUARY —“I think I can claim that the budget, as it stands, is on the whole satisfactory. I certainly can and do claim that the position is infinitely better than I expected it would be when I presented my first budget two years ago”, said Mr. E. A. H. Blunt, Finance Member, presenting the Budget before the Council to-day.

The Finance Member announced that there would be a surplus of fourteen lakhs in the budget estimates for 1934-35. He estimated the year's revenues at 1,150 lakhs and expenditure just under 1,150 lakhs, giving a deficit of five lakhs. Under Debt Heads, however, so far as provincial resources were concerned, Government estimated receipts of 52 and one third lakhs and expenditure of 33 and half lakhs, giving a surplus of nearly 19 lakhs. The total surplus of the year's working, therefore, was fourteen lakhs.

Reviewing the last year's working the Finance Member explained that the deficit at the end of any year was not a loss in the working of that year, but a loss in the working of the whole period under consideration, namely 1921-22 to 1934-35. The deficit for this period amounted to 139 and half lakhs. The balance in the capital account amounted to 25 and three-fourth lakhs. The total deficit, therefore, on the provincial resources came to 113 and three-fourth lakhs. When, to this, are added the balances of different provincial funds and resources, the net provincial deficit came to just under ninety-five lakhs. Mr. Blunt said that after carefully examining the position Government had come to the conclusion that there was little to be gained by funding this deficit at present. Possibly there would be a good deal of loss. The question of funding, said Mr. Blunt, depended on the character of the monsoon and the movement of prices, both of which were circumstances outside the control of Government. With the amount of deficit growing smaller, it would be possible to fund it when circumstances improved.

The Finance Member next referred to the rent revenue scheme which sought to equate rent revenue to prices with the object of putting remissions on a scientific basis. In view of the fact prices were still fluctuating, Government, he said, had decided not to launch the scheme but leave the existing remissions undisturbed. Government officers meanwhile were working out the details of the new scheme.

The outstanding features of the budget were:

(1) Rise in expenditure of education by 8 and half lakhs, which includes a considerable amount of new expenditure on women's education.

(2) Loan programme of the Government by borrowing from the Provincial Loan Fund Rs. 52 and half lakhs. This would include Rs. 7,10,000 for taqavi, Rs. 3,55,000 for local bodies and Rs. 21,00,000 for irrigation and hydro-electrical works. The last item contains Rs. 2.20 lakhs for the Gangan River Canal Project, four lakhs for the State tubes wells and one lakh for tramway to facilitate transport of sugarcane to factories in Meerut District.

(3) Provision for the creation of permanent cadres to be known as the United Provinces Services of Engineers, classes I and II, irrigation (Hydro-Electric). The cadres would consist of five in class I and seventeen in class II with two electrical apprentices. It is proposed on the constitution of the two services to appoint those officers at present employed on a temporary basis, who have justified their selection by previous training and experience.

(4) No assignment is proposed to be made to the famine-relief fund, as it has now reached the statutory limit of fifty lakhs after withdrawal in the budget year of 1 and half lakhs for utilisation on the repayment of the debt. The Government are considering to propose to superior authorities to modify the rules with a view to reduce the maximum limit.

(5) In March 1935 the Road Development Fund would stand at 18 lakhs, after the present budget expenditure of five lakhs.

(6) Retention of the five per cent cut in salaries.

(7) Retrenchment of the Commissionership of Kumaun.

(8) Taxation proposal to raise the revenue to the extent of 9 and one-fourth lakhs by reimposing stamp duties which lapse this year and which are expected to further reduce the deficit to 85 and three-fourth lakhs.

In this connection, Mr. Blunt referred to the five per cent cut in salaries and said that the cut was in effect a tax on salaries deducted at the source and amounted to twenty lakhs of additional taxation. "I shall be held justified, if I ask the rest of the tax paying population to contribute half that amount. I am not by any means satisfied. Though during the budget year we expect to work to surplus, yet I cannot admit the budget is really balanced. For there was loss on working of our revenue account of five lakhs and surplus on working was entirely in our capital account, which is variable according to the amount of loans that would be due for repayment. If I am to hand over the provincial finances to the First Finance Minister in the new constitution in a satisfactory condition as it is my earnest desire—then I must be able to offer him a surplus in the revenue account. It is because I wish to achieve this result that I am asking you to give me the present enhanced stamp duties for another two years. In the budget year, we have managed to provide for a certain amount of the much-needed new expenditure and in spite of that have balanced our budget as a whole."

GENERAL DISCUSSION OF BUDGET

6th. MARCH :—Non-official attendance was extremely poor when the Legislative Council reassembled to-day for a general discussion of the Budget and there was general shyness amongst those present to catch the President's eye. While in the previous years a number of members used to complain they got no opportunity at all to have their say, the Council both before and after lunch had to be adjourned much earlier than usual, because nobody got up to speak though the President waited for long.

During question time the Education Minister, Mr. J. P. Srivastava laid on the table a circular addressed by the Director of Public Instruction to all Inspectors that it was a breach of discipline for teachers to approach the members of Council to interview the Minister of Education on their behalf or to take them to the Minister to have their grievances redressed and severe action would be taken against such teachers.

The Minister, in reply to a supplementary question, said a large number of teachers had thus directly approached him.

PROTEST AGAINST DUTY ON SUGAR

7th. MARCH :—In the Council to-day, Mr. Nisarullah, through a motion for adjournment, raised the debate to protest against the proposal of the Central Government to levy an excise duty on Sugar specially as it affected the U. P.

Speaking on behalf of the consumer and cultivator, the speaker said that the duty was calculated to operate harshly on both the interests he was sponsoring. He regretted that all elastic sources of revenues had been monopolised by the Government of India, leaving rigid ones for the provinces. He asserted that the cry of over-production was a bogey, which lacked facts and the agriculturist would not be benefited by the duty as the manufacturer, in spite of legislation, would lower the prices of cane. He did not object if the Government took away excessive profits of the manufacturer by means of levying a surplus profit tax.

Messrs. Vikramajit Singh, Habibullah and Krishnapal Singh supported the motion.

The Minister Mr. Srivastava claimed that he was in sympathy with the motion, but none of the speakers made a case for representation to the Government of India. Their own experts did not think that the duty would hamper the development of the sugar industry, but would only decrease the profits of manufacturers. The Government of India did not back out of their promise in regard to protection to sugar, but the excise duty now proposed was less than 25 per cent of the surcharge, which was only a revenue duty. He assured the interests of the consumer and cultivator would be fully safeguarded by the Government and excise duty would act as protection for the small non-factory producer of sugar.

Mr. Liayagat Ali Khan contested the statement that the consumer would not be hit, while Mr. C. Y. Chintamani attacked the attitude taken by the Minister, who was an elected member responsible to the House. It took nearly 30 years to remove the excise duty on textiles and it was now, he said, anti-national plan of

the Government of India to better development of an industry, which was still young. If the Government of India were faced with decreasing imports, it was open to them to take off surcharges or help the cultivator without imposition of the excise duty. The real fact, however, was that sugar, tobacco and match industry had shown development.

The Minister Mr. Srivastava once again assured the House that they had no say on the imposition of the duty, but were prepared to consider if any representations were made to show that duty would adversely affect the industry. They had no data for the present to oppose the duty and promised to forward the proceedings to the Government of India. The adjournment motion was carried, the Government not challenging a division. The Council rose for the day.

9th. MARCH :—"Rural sanitation is in a disgraceful condition, and the Public Health Department has done nothing towards its betterment", said *Hafiz Hidayat Husain* supporting the cut motion under the Public Health demand to-day.

Nawab Sir Muhamad Yusuf, Minister, was severely criticised for not providing enough funds to District Health Officers to carry on their useful work. The general strain of criticism from all quarters of the House was that owing to paucity of funds at their disposal, these highly qualified and highly paid officers were a source of wasteful public expenditure and their advice to villagers on methods of rural and sanitary improvement was practically useless, as villagers, on account of their hopelessly impoverished condition, were able to do nothing without Government help.

Rai Rajeshwar Bali, ex-Minister said that it greatly pained him to find that the structure of the district health scheme, which he laboriously built up during his period of office, was crumbling for lack of adequate financial support. He said, "There should be some sense of public decency even for the Nawab", who alone with Education Minister profusely showered encomiums on the Finance Member for his extreme generosity towards the transferred departments only yesterday but to-day pleaded financial stringency for adequate public health work in rural areas.

The cut motion was unanimously supported even by Ministerialists and carried without a division.

Nawab Sir Md. Yusuf, replying to another cut motion, undertook to appoint a Provincial Service Officer as Director of Public Health, on the retirement of Lt-Col Mearus, the present I. M. S. Officer, in the course of the year.

[GOVT. POWERS FOR

13th. MARCH :—The proposal of the Independent Party Leader, *Raja Jagannath Bakhsh Singh*, that the landlords should be armed with weapons for the realisation of rents from the tenants somewhat similar to those possessed by the Government to distrain the property of defaulting zamindars who failed to pay land revenue in time and to order their arrest and detention, came up for consideration in the Council to-day.

Introducing his resolution on Saturday last the Raja had urged that landlords should be armed with powers to realise rents due to them somewhat similar to those enjoyed by the Government for the collection of revenue. He pointed out by quoting statistics that while the Government, despite the slump in prices and the economic depression, were able to realize 97.3 per cent. revenue in 1931 and 99.7 per cent. in 1932 landlords were able to realise only 51 per cent. in 1931 and 60 per cent. in 1932, of the rents due to them from tenants. The Raja made it amply clear that the object of his motion was not to arm the zamindars with any drastic powers to enable them to harrass the tenants but only enable them to realise rents just as efficiently as the Government realized their revenue year by year. To strengthen his contention he cited Sec. 39 of the Court of Wards Act which empowers the Government to realize arrears of rent from tenants in estates under the management of the Court of Wards just as arrears of land revenue. "It is needless to emphasize that the matter is highly controversial because it is one thing that organised Government should possess such powers and quite another for private individuals to be armed with them. In this connection it may be quite relevant to mention that times out of number the landlord members have protested on the floor of the House against powers of the Government to issue coercive processes and the arrests and detention of the defaulting zamindars."

Mr. E. A. H. Blunt, Finance Member, opposing the motion pointed out that such powers in the hands of certain zamindars were liable to be misused and abused and

such abuse would promote widespread agrarian riots in the Province. He said Government could not undertake the collection of rents for zamindars and the provision embodied in the Oudh Rent Act and Agra Tenancy Act to counter the no-rent campaign could only be made applicable when there was a general refusal to pay. In this case it was not such a refusal on the part of the tenants but their inability to pay. He, however, realised the landlords' difficulties and agreed that some satisfactory solution of the problem must be found. He added that Government would soon tackle the problem.

Mr. Chintamani said the zamindars who all along criticised the Government for the manner in which they resorted to the barbarous power of humiliating a defaulting zamindar by arresting him, could not in the same breath demand they should themselves be armed with similar powers. He however strongly pleaded for a proper adjustment of rent and revenue and for their reduction so that it might not be beyond the capacity of tenants and zamindars to pay.

The motion was withdrawn and the whole revenue demand was voted.

14th. MARCH :—The effect of 13 years' transitional system of Government since the Reforms were inaugurated on the morale and discipline of the Police Force, was referred to by Kunwar Jagdish Parsad, Home Member, in the Council in moving the grant of Rs. 1,53,46,941 under "Police".

One of the main features of the reformed constitution in U. P. has been that the portfolio of police has always been held by prominent Indians. The first was the late Maharaja of Mahmudabad and after him the Nawab of Chhatari, during whose absence from India Nawab Sir Muzammillah Khan officiated. The late I. G. of Police, Sir Robert Dodd, in his valedictory tribute had said that he was immensely proud of the loyalty, efficiency and zeal of the Indian Police during the 31 years he was associated with them in the U. P. The Home Member said this tribute was completely justified and the loyalty and discipline of the Force remained unshaken though the province recently passed through economic distress, political turmoil and communal troubles. The Council, though critical, had always voted the Police expenditure and showed its real sense of responsibility. The Government were determined to make a sustained effort to reduce the incidence of dacoities, which was the main problem of crime. He frankly recognised the existence of corruption among the rank and file of the police forces and said the Government, with public assistance, resolved upon eradicating the evil. The Government would also impress on the police the need of being courteous in the treatment of the people so that the police might be regarded as guardians of law and order and at the same time the protectors of the poor and the oppressed.

Mr. C. V. Chintamoni, Leader of the Opposition, pointed out that Sir Robert Dodd had already been declaiming against the proposal to place police under the control of Ministers responsible to the legislature but what difference did it make if an Indian Member in charge of the police were to be called a Minister instead of a Home Member. On the basis of experience they were justified in anticipating continuous and friendly co-operation between the Government and the Legislature in the desire to keep the police up to the mark and make it less unpopular and more helpful to the people than at the present moment. The failure of the Congress to make good their promises led to increased revolutionary activity. Referring to the remarks of Mr. Hollins, I. G. of Police, in his latest Administration Report Mr. Chintamoni pointed out that if Congressmen promised complete Swaraj for India as the result of the Civil Disobedience campaign it would not have led to increased revolutionary activity, but the real cause of it was Government's failure to implement their promises and the consequent feeling of hopelessness engendered in the public mind. Lack of co-operation on the part of the people in effectively dealing with crime was in no small measure due to the superior air which the police often betrayed towards them.

Not one cut motion was passed before the Council adjourned.

19th. MARCH :—"A time is fast approaching when the growing menace of unemployment will surely lead either to a revolution or an armed uprising". This note of warning was sounded by Sayyid Jafar Hosain (Moradabad) in connection with the widespread unemployment among graduates turned out in thousands every year by the five Universities in U. P. during the discussion in the Council on the Education Budget. He pressed on the Government the desirability of appointing a committee to go into the whole problem.

Mr. J. P. Srivatsava, Minister for Education, said the Government were most anxious to solve the problem but their efforts had so far borne no fruit. There was no ready-made panacea for the trouble which had its origin in the aimless drift of students of Universities, a great many of whom were really unfit for University education. University education must be systematised to prevent this aimless drift. The question was really an economic one and fresh avenues of employment must be found by reorganising provincial industries as recommended by the industries reorganization committee.

The Minister assured the House that the Government fully realised the danger of letting educated young men drift without jobs and they were not sitting still but moving as fast as they could. They were most anxious to find a proper solution for the problem but there was no rough and ready method for doing so. They took a serious view of the situation and were fully cognizant of the magnitude of the problem. The Minister while accepting the proposal for the appointment of a Committee expressed that he had consulted several technical and commercial experts and was applying himself heart and soul to the question. Government felt confident they would go a long way in removing unemployment by providing industrial occupations to educated young men.

The entire education demand was voted before the Council adjourned for the day.

22nd MARCH :—After question time to-day, *Kunwar Jagadish Prasad*, Home Member, moved for grant of the demand under the Administration of Justice for Rs. 61,95,653. Mr. C. Y. Chintamani, by a cut motion, drew attention to the publication in the newspapers yesterday and repeated today that one of the Judges of the Allahabad High Court was going to be appointed as Chief Judge of the Oudh Chief Court. Mr. Chintamani said he would like to know from the Home Member whether this information was correct and if the Home Member's answer was in the affirmative he further liked to know the reasons therefor. He pointed out that on the Bench of the Oudh Chief Court there were Judges who in the public estimation were quite eligible and qualified for the Office of Chief Judge. On the last occasion, when the Office of the Chief Judge fell vacant, Government's action created an impression that the Senior Puisne Judge of the Chief Court would in the ordinary course be elevated to the position of Chief Judge and that there would be no importation from another court to fill that office. In case the statement published in the press was correct he liked to know why the same practice was not going to be followed on the present occasion. As there had been no official communication in confirmation or contradiction of the present statement in the Press, Mr. Chintamani added he would not be justified at the present moment in making any comments on the assumption that the information was well founded. If, unfortunately, it should be necessary to offer any observations on that point they would be reserved for a later occasion.

Kunwar Jagadish Prasad replying, said that as Hon'ble Members know the appointing authority for the permanent appointment of the Chief Judge of the Chief Court was the Governor-General-in-Council and no official announcement had been made as to who was to succeed Sir Wazir Hasan. He therefore very much regretted he was unable to answer Mr. Chintamani's questions until an announcement was made by the Governor-in-Council.

Mr. Chintamani said in case no information had been received by the Local Government from the appointing authority he hoped he would not be hoping for too much if he still expected that the action which was bound to be regarded by the public as injustice to deserving Judge would not be perpetrated. He further hoped that the Local Government who certainly would be asked by the Government of India, if indeed they had not been already asked, would support the claim of an officer for whose appointment they themselves must have been initially responsible, as the Government of India were not likely to have made the appointment to the Bench of the Court in these Provinces without the knowledge or advice of the Local Government. He further desired to state very candidly that if the official announcement that might be made would confirm the news already published, there would be wide and deep disappointment in the public mind and the Government of India would have none to thank but themselves for creating fresh occasion for public discontent and public distrust with regard to acts done by them. Though he feared it must be too late to influence any decision which the Government of India might have taken or were about to take, none the less he earnestly hoped and trusted that the action of the Local Government in the matter would bring about an

arrangement which would be in accordance with precedent and conform to the dictates of justice and which would satisfy the public mind.

The issue raised being the appointment of the Chief Judge of the Chief Court and the power of appointment being in the hands of the Government of India, the motion was not pressed.

23rd. MARCH :—The budget session of the Council concluded to-day. During the day the Council discussed the demand for medical department estimates but the debate had not concluded when the guillotine was applied at 5. p. m. and all remaining demands were voted. Shortly afterwards, the Council reassembled and passed two taxation bills after considerable discussion during which the Government agreed to limit the period of operation of the bills to three months instead of two years as originally provided. The house divided on both measures, the voting on the *Court Fees Amendment Bill* being 57 to 13 votes, while on the *Stamp Act Amendment Bill*, it was 60 to 14. The Council was then prorogued.

April Session—Lucknow—9th. to 12th. April 1934

GOVERNOR'S SURVEY OF AGRARIAN SITUATION

His Excellency *Sir Malcolm Hailey*, Governor of the United Provinces, in the course of an address to members of the Council which commenced its April session on the 9th. April 1934 detailed reasons which compelled him to send back to the Council the Agriculturists Relief Bill for reconsideration of some of its important clauses and dealt exhaustively with the question of rural indebtedness.

Dealing with the general aspect of rural indebtedness, he asked whether any scaling down of the standing debt by legislative enactment was regarded as an appropriate remedy. The general scaling down of debt which took account only of the amount of debt due and not of rates of interest engaged and which did not provide to the creditor any increased facility for securing repayment in return for the loss of the potential assets was not, he thought, an appropriate measure. It would create general loss of confidence which would react gravely on the credit, not only as applied to agricultural but other transactions. The remedy lay in an attempt to prescribe rates of interest and His Excellency suggested that the rates prescribed must bear some proper relations to the prevailing rates earned by money elsewhere and to extra risks involved in this particular class of transaction. Turning to the particular aspect of the problem created by the depression in the produce prices, His Excellency referred to the various specific measures such as the Agriculturists Relief Bill, the Regulation of Trades Bill and the Encumbered Estates Land Alienation Bill, which were designed to relieve indebtedness and explained their aims and objects. He suggested any action in this direction must be regulated by discriminative readjustment of contracts and a recognition of ability of debtor to pay and the relation borne by contractual rates of interest to the value of money in other investments. Further action must be directed to giving the creditor facilities for recovering adjusted debt.

His Excellency then dwelt on the changes involved in the Agriculturists Relief Bill. His Excellency deeply regretted that he was felt compelled to ask the Council to reconsider some of the important clauses of the Bill, but the reason was that Government had not then before them the mass of material since obtained, which enabled them to judge the effect of these clauses in a large number of contract cases.

His Excellency concluded : "If, in attempting to relieve the indebtedness of one class, we cut under the general operation of credit, we may cause mischief the full extent of which none of us can foresee."

AGRICULTURISTS LOANS ACT AMEND. BILL

The Council then passed the Agriculturists Loans Act Amendment Bill aimed at empowering the Government to advance loans to agriculturists for the purchase of occupancy rights and for the payment of the existing debts. There was general complaint in the House that the Bill was taken into consideration at too short a notice, members not having been given sufficient time to study its provisions though its usefulness was generally recognised. The Finance Member announced that the Agriculturists Relief Bill sent back by the Governor-in-Council for consideration will be taken up in the June session.

AGRICULTURISTS RELIEF BILLS

11th. APRIL :—There was protracted debate lasting for more than four hours over the *Finance Member's* motion for reference to select committees of the *Encumbered Estates Bill*, the *Bill to make temporary provision for regulation of execution of civil court decrees of small agriculturists*, the *Bill to make temporary provision for regulation of sale of agricultural land*, and the *Bill to amend the Usurious Loans Act of 1918* in its application to U. P.

A very notable contribution to the debate on the bills was the forceful vigorous and able maiden speech by one of the two representatives of money-lenders and bankers, *viz.* Mr. Radhey Shyam Rastogi. Their viewpoint on the proposed bills found an able exponent in Mr. Rastogi, and his speech was well received by the House for the manner in which he pleaded for a fair and equitable treatment being accorded. Keen dissatisfaction was expressed with the scheme of legislation brought forward by a number of members including Nawabzada Liaqat Ali Khan, Hafiz Hidayat Husain, Rai Rajeshwar Bali, Maulvi Fashruddin and Hafiz Muhammad Ibrahim. Their contention was that the bills were very much restricted in scope and no real and substantial relief was being afforded to the bulk of the agricultural population. This criticism was most effectively met by the leader of the Opposition, Mr. Chintamani, who in a masterly speech pointed out that the principle underlying all the bills were most desirable and unobjectionable and the details could be settled in the select committee. He humorously pointed out that he was admittedly not a novice in the art of denunciation of the Government but he was sure that these bills were meant to do a good turn to the agriculturist in his present difficulties. Mr. Chintamani added he was convinced that at the present moment the weapon in their armoury which should be taken out and used was not the weapon of denunciation or generalisation but of patient and impartial examination of the bills. Mr. Chintamani also effectively answered the criticism of Nawabzada Liaqat Ali Khan that the Government had responded to his appeal not to treat the money-lenders as a plague spot in the society more than he could have expected, and the question addressed by the deputy president to Mr. Chintamani at the conclusion of his speech was disallowed by the President on the ground that it did not arise out of the discussion before the House.

INDUSTRIES COMMITTEE REPORT

12th. APRIL :—The Industries Reorganisation Committee report of Hon. Srivastava engaged the Council's attention to-day. Mr. Chintamani condemned many recommendations made by the committee particularly the one proposing the closing down of several useful industrial and technical schools. Mr. Chintamani's speech was a terrific onslaught on the Minister's policy and measures in connection with the Industries department. After the discussion of the report the House passed Maulvi Fashruddin's resolution for a sum of Rs. 8,00,000 being set apart for the development of cottage industries on co-operative lines, discussion on which had been postponed on Feb. 16 pending consideration of the Industries Committee report. The House then adjourned *sine die*.

Special Session—Nainital—14th. to 23rd. June 1934

RESOLUTION ON LAND REVENUE QUESTION

A resolution recommending to the Government not to alter the present scale of rent and revenue remissions in the coming year in the United Provinces and to reject the proposals of adjustment of rent and revenue to prices as formulated in the new scheme was carried in the Council, which commenced its Nainital session on the 14th. June 1934. The resolution was discussed the whole of the next day, a majority of speakers supporting the resolution.

On behalf of landholders, it was contended that the resolution sought to deprive them of their principal function of adjusting rent and revenue. It was also urged that according to the new scheme, there would be less benefits to agriculturists. On behalf of the Government, the *Finance Member* explained that the Government were still keeping an open mind on the new scheme and had not decided if and when to bring it into operation.

JUVENILES ANTI-SMOKING BILL

JUNE :—The Council to-day rejected after a lengthy debate by a large majority the non-official Bill to prevent juveniles from smoking tobacco. Those who opposed the Bill contended that the Bill as framed was unworkable and would only help to encumber the statute book, being ineffective. Supporters of the Bill, on the other hand, urged that the Bill was a necessary piece of legislation considering that the injurious habit of smoking among juveniles was alarmingly increasing.

DT. BOARDS ACT AMEND. BILL

Another retrograde and reactionary bill to amend the District Boards Act which was moved for reference to select a committee met with a very hostile reception in the House. The bill virtually sought to make the chairman and secretaries of district boards autocrats and its mover, *Thakur Giriraj Singh*, made a futile attempt to make out a strong case in its support. When it was first introduced on Feb. 15, its provisions were found to be of such a sweeping character that the leader of the Opposition, Mr. Chintamani moved for its circulation for eliciting opinion thereon and the motion was carried. The opposition being almost overwhelming the mover discreetly withdrew his motion remarking that he was against wasting the taxpayers' money on the select committee to consider two of the clauses of the bill which the Hon. *Nawab Mohd. Yusuf*, the Minister, was inclined to support in a modified form.

NON-OFFICIAL BILLS

18th. JUNE :—Three bills sponsored by *Rai Bahadur Babu Vikramajit Singh* occupied the attention of the Council for the whole of to-day. The first two of them sought to do away with the system of plural voting now in vogue in elections of various committees of district and municipal boards and to introduce the system of election by single transferable vote with a view to ensure representation to minority parties. The change advocated by the *Rai Bahadur* encountered little or no opposition and some members doubted the necessity of referring the bills to select committees which would involve avoidable public expenditure.

An amendment to the effect that bills be taken into consideration was sought to be moved by *Sheikh Muhammad Habibullah* which was, however, ruled out by the President in view of the Standing Orders on the subject that when there was a motion for reference of a bill to a select committee before the House, the only amendment which could be moved was for the circulation of the bill to elicit opinion thereon.

The third bill of the *Rai Bahadur* was for complete overhauling of the Agra University Act passed in 1926. The bill proposed to make drastic changes of far-reaching nature in the Act and the *Rai Bahadur* made an elaborate and laboured speech for nearly an hour which however fell flat upon the House. Proceeding on the assumption that teachers dominate the Senate and the executive council of the Agra University, he suggested almost revolutionary changes with a view to dislodge them and reduce them to a position of utter insignificance so that the poor teachers might be practically crushed out of existence and their places be occupied by the secretaries of the boards of management of colleges.

One of the greatest offences of the Agra University which provoked R. B. *Vikramajit Singh's* wrath was the statute passed by it in the interests of teachers' security of tenure. The statute required the boards of management to enter into written contracts with teachers in their service so that the sword of Damocles might not be perpetually hanging over their heads and they might not be despotically dismissed by autocratic secretaries of colleges. The *Rai Bahadur* vigorously criticised this statute in particular and held that the presence of self-interested teachers in large numbers on the university was responsible for its enactment.

Hafiz Hidayat Husain, who followed the mover, moved for the circulation of the bill and he was ably supported by *Rai Rajeshwar Bali*, deputy leader, Nationalist Party, during whose regime as Education Minister the Agra University Act was passed by the legislature. In a very informing and well reasoned speech *Rai Rajeshwar Bali* convincingly showed that the bill was quite uncalled for, if not mischievous and sweeping in nature.

Mr. *A. H. Mackenzie*, Director of Public Instruction, said it was essential to obtain public opinion on the bill, particularly of the Agra University Senate which would meet in November next. He literally tore to shreds *R. B. Vikramajit Singh's*

bogey of domination of teacher element in the university affairs and vigorously defended the statute enacted by the Agra University for the stability of teachers.

The House eventually agreed to the bill being circulated for eliciting opinion by December 15, 1934.

REPEAL OF GOONDA ACT

19th. JUNE :—There was an animated and lively debate to-day over the resolution moved by *Hafiz Mohammad Ibrahim* asking for repeal of the Goondas Act. The debate which lasted for the whole of the day showed that there was a sharp cleavage of opinion on the way in which the legislation was being worked in Cawnpur since it was brought into force in March 1932. The mover, in his speech, argued for nearly an hour that the Act was being harshly worked and several innocent persons had suffered along with the guilty. *Hafiz Hidayat Hussain* was for the Act being amended but not repealed and he moved an amendment accordingly. The leader of the Constitutional Party, *Rai Bahadur Babu Vikramajit Singh*, opined that the existing conditions in Cawnpore warranted the continuance of the Goondas Act in all its rigour and did not permit any sort of relaxations. Another amendment moved by *Babu Brijnandan Lal* urged that the Act be amended on the basis of the report of a committee to be appointed by Government consisting of two officials and two non-officials presided over by a High Court judge. This procedure was considered to be too cumbersome by *Rai Rajeshwar Bali*, deputy leader of the Nationalist party, and the leader of the Democratic party. *Nawabzada Liagat Ali Khan*, who was a member of the Cawnpore Riots Enquiry Committee, held that the presence of *goondas* was a grave menace to the peace and tranquillity of Cawnpore city and suggested the enactment of the present Act. Mr. R. F. Mudie, Collector of Cawnpore, emphatically refuted the suggestion that there was any room for innocent persons being extorted from Cawnpore as *goondas*. The Home Member, *Kumawar Jagadish Prasad*, stated that the Act had been very fairly administered and the case of every *goonda* against whom there was preliminary report by the district magistrate was very carefully scrutinised by two very experienced judges—Mr. J. J. W. Allsop, at present judicial secretary, who was soon going to be raised to the High Court bench, and Mr. Mohammad Ziaul Hasan who was now a judge of the Chief Court. Proceedings were taken by the Government against 228 *Goondas* of whom only 180 were extorted on the recommendation of the judges. The Home Member strongly repudiated the charges of oppression on the part of the police or of irresponsibility on the part of the executive and accepted the suggestion of *Rai Rajeshwar Bali* that Government should receive all the proposals for the amendment of the Act and see in what respects the working of the Act could be improved. Mr. *Brijnandan Lal*, therupon, withdrew his amendment and the resolution as amended by *Hafiz Hidayat Hussain* was carried without division.

20th. JUNE :—Official business was transacted at to-day's Council meeting which included the passage of two bills to amend the Municipalities Act and the District Boards Act.

In the course of the discussion on the Municipalities Bill, generally known as the Municipal Omnibus Bill, *Rai Rajeshwar Bali* made a very practical and commendable suggestion for comprehensive amendment of both the Acts, so that there might be no necessity for piecemeal legislation which was very inconvenient and confusing to all concerned. The Minister, who did not favour the suggestion for the appointment of a committee, expressed his agreement to a certain extent with the criticism against piecemeal legislation and said that the present bills would probably be one of the last series of amending bills.

23rd. JUNE :—The Finance Member after presenting the report of the Select Committee on the Encumbered Estates Bill and other allied bills relating to rural indebtedness did not move their consideration. He explained that certain provisions of the first Bill as amended required the previous sanction of the Government of India, as they tended to interfere with central subjects. For this reason, it was thought necessary to postpone consideration of the Bills, pending the sanction of the higher authorities to some suitable date.

There being no other business before the House, the President adjourned the House *sine die*.

THE PUNJAB LEGISLATIVE COUNCIL

LIST OF MEMBERS

THE HON'BLE CHAUDHRI SIR SA-
HABBUDIN (*President*)
BUTA SINGH, SARDAR BAHADUR
SARDAR (*Deputy President*)

Executive Councillors and Ministers
THE HON'BLE SIR MILES IRVING
THE HON'BLE MR. D. J. BOYD
THE HON'BLE SARDAR SIR JOGEN-
DRA SINGH
THE HON'BLE MALIK SIR FIROZ
KHAN NOON
THE HON'BLE DR. GOKUL CHAND
NARANG

Official Members

- 1 ANDERSON MR. J. D.
- 2 ASKWITH MR. A. V.
- 3 FAZL ILAHI, KHAN SAHIB SHAIKH
- 4 FERGUSON, MR. J. A.
- 5 GARRETT, MR. C. C.
- 6 GRINDAL, MR. A. D.
- 7 HEARN, MR. J. W.
- 8 LATIFE, MR. A.
- 9 MURAHY, MR. A.
- 10 K. A. RAHMAN, KHAN BAHADUR DR.
- 11 SANDERSON, MR. R.
- 12 BROWNE, MR. F. C.

Non-official Members

- 1 ABDUL GHANI, SHAIKH
- 2 AFZAL HAQ, CHAUDHRI
- 3 AHMAD YAR KHAN, DAULATANA,
KHAN BAHADUR MIAN
- 4 AKBAR ALI, PIR
- 5 ALLAH DAD KHAN, CHAUDHRI
- 6 ARJAN SINGH, SARDAR
- 7 BAHADUR KHAN, SARDAR
- 8 BALBIR SINGH, RAO BAHADUR
CAPTAIN RAO
- 9 BANSI LAL, CHAUDHRI
- 10 BHAGAT RAM, LALA
- 11 BISHAN SINGH, SARDAR
- 12 CHETAN ANAND, LALA
- 13 CHOTTU RAM, RAO BAHADUR
- 14 CHOWDHURY, MR. SAJAN KUMAR
- 15 FAQIR HUSAIN KHAN, CHAUDHRI
- 16 FAZL ALI, KHAN BAHADUR NA-
WAB CHAUDHRI
- 17 GHANI, MR. M. A.
- 18 GOPAL DAS, RAI SAHEB LALA

- 19 GURBACHAN SINGH, SARDAR
SAHIB SARDAR
- 20 HABIB ULLAH, KHAN BAHADUR
SARDAR
- 21 HABIB KHAN DAHA, KHAN
- 22 JAGDEB KHAN KHARAL, RAI
- 23 JANMEJA SINGH, CAPTAIN SAR-
DAR BAHADUR SARDAR
- 24 JASWANT SINGH, GURU
- 25 JAWAHAR SINGH, DHILLON, SAR-
DAR
- 26 JYOTI PRASAD, LALA
- 27 KESAR SINGH, RAI SAHIB CHAU-
DHRI
- 28 LABH CHAND MEHRA, RAI SAHIB
LALA
- 29 LABH SINGH, MR. M. A.
- 30 LEKHWATI JAIN, SHRIMATI
- 31 MALAK, MR. MUHAMMAD DIN
- 32 MAMRAJ SINGH CHOCHAN, KAN-
war
- 33 MANOHAR LAL, MR. M. A.
- 34 MAYADAS, MR. ERNEST
- 35 MAZHAR ALI AZHAR, MAULVI
- 36 MOHAN SINGH, SARDAR BAHADUR
SARDAR
- 37 MOHINDAR SINGH, SARDAR
- 38 MUBARAK ALI SHAH,, SAYAD
- 39 MUHAMMAD ABDUL RAHMAN
KHAN, CHAUDARI
- 40 MUHAMMAD AMIN KHAN, KHAN
BAHADUR, MALIK
- 41 MUHAMMAD YUSOOF, KHWAJA
- 42 MUHAMMAD HAYAT QUARESHI,
KHAN BAHADUR Nawab
- 43 MUHAMMAD HASAN, KHAN SAHIB
MAKHDOOM SHAikh
- 44 MUHAMMAD JAMAL KHAN LEGH-
ARI, KHAN BAHADUR Nawab
- 45 MUHAMMAD RAJA SHAH GILANI,
MAKHDOUMZADA SAYAD
- 46 MUHAMMAD SADIQ SHAikh
- 47 MUHAMMAD SARFARAZ ALI KHAN
RAJA
- 48 MUHAMMAD YASIN KHAN,
CHAUDHRI
- 49 MUKAND LAL PURI, MR
- 50 MUKERJI, RAI BAHADUR MR. P
- 51 MUSHTAQ AHMAD GURMANI, KHAN
BAHADUR MIAN
- 52 MUZAFFAR KHAN, KHAN BAH-
ADUR CAPTAIN MALIK

53 NARENDRA NATH , DIWAN BAHADUR RAJA	64 RAM SARUP, CHAUDHRI
54 NATHWA SINGH, CHAUDHRI	65 RAM SINGH, 2ND-LIEUT, SARDAR
55 NIHAL CHAND AGGARWAL, LALA	66 RIASAT ALI, CHAUDHRI
56 NOOR AHMAD KHAN, KHAN SAHIB MIAN	67 ROBERTS, MR. W.
57 NUR KHAN, KHAN SAHIB RISALARIAH BAHDUR	68 SAMPURAN SINGH, SARDAR
58 NURULLAH, MIAN	69 SEWAK RAM, RAI BAHDUR LALA
59 PANCHAM CHAND, THAKUR	70 SHAH MUHAMMAD, CHAUDHRI
60 PANDIT, MR. NANAK CHAND	71 SHAVE, DR. (MRS.) M. C.
61 RAGHBIR SINGH, HONORARY LIEUTENANT SARDAR	72 SHEO NARAIN SINGH, SARDAR BAHDUR SARDAR
62 RAHIM BAKHSH, MAULVI, SIR,	73 UJJAL SINGH, SARDAR SAHIB SARDAR
63 RAMJI DAS, LALA	74 UMAR HAYAT, CHAUDHRI
	78 ZAFRULLA KHAN, CHAUDHRI

Proceedings of the Council

BUDGET SESSION—LAHORE—19th. FEBRUARY TO 23rd. MARCH 1934

With the swearing in of the first-elected lady member of the Council, *Shrimati Lekhawati Jain*, the proceedings of the Budget Session of the Punjab Legislative Council commenced at Lahore on the 19th. February 1934.

The day was devoted to the discussion of a non-official resolution recommending to the Government the appointment of a mixed committee of members of the House, with a majority of elected members, to examine the causes of inadequate representation of Statutory agriculturists in a majority of Government departments and suggest means whereby their adequate representation in all departments may be secured within the next five years. The debate had not concluded when the House adjourned.

20th. FEBRUARY :—The resolution was debated upon to-day and subsequently withdrawn on the assurance of the *Finance Member* to take steps to enforce Government's policy in the matter wherever it was not effectively carried out.

WOMEN IN LOCAL BODIES

The part which women should play in public life was the subject of an interesting but inconclusive debate in the Council on the motion of the first elected lady member, *Shrimati Lekhawati Jain*, that sex disqualification for registration on electoral rolls of Municipalities and District Boards should be removed in respect of women generally and that they should be allowed to stand as candidates for membership of those bodies.

The *Leader of the Opposition*, opposing the motion, observed that the Council had made a great mistake when it allowed women to stand for election to the Legislature and he pleaded against a similar mistake being made in respect of District Boards and Municipalities.

Dr. (Mrs.) Shave, the only other woman-member of the House, preferred women being nominated to local bodies as they would not be prepared to face the mud-slinging that elections involved.

Another member observed that God had entrusted women with the function of bringing up children and instead of seeking to enter public bodies, they should devote themselves to bringing up the younger generation on correct lines.

Sardar Ujal Singh, on the other hand, pointed out that the Punjab Council was the first to remove the sex disqualifications in respect of the candidature to the Councils. They were on the threshold of a new constitution and he regretted that anyone should express the view that women should not have the same powers as men.

The debate had not concluded when the House adjourned.

PUNJAB TOBACCO VEND FEES BILL

22nd. FEBRUARY :—The inauguration of new constitution would make necessary the exploration of fresh sources of revenue, and tobacco was a suitable source, said the Hon. Sir *Henry Craik*, Finance Member, to-day, introducing the Punjab Tobacco Vend Fees Bill on the sale of manufactured tobacco in municipalities in notified areas, small towns, cantonments and railway stations in order to raise the revenue. Sir Henry Craik pointed out that tobacco was taxed in most parts of the world. It was a luxury and as such it was fit for levy of taxation. The Bill proposed to levy a small annual license fee from all persons whether shop-keepers or hawkers.

Pandit Nanak Chand and *Sheik Mohamed Sadiq* opposed the Bill on the ground that it would lead to harrassment of the people. They were not against taxing tobacco, but objected to certain provisions of the Bill. *Pandit Nanak Chand* added that the Bill was an undue interference with the liberty of the people.

Choudhury Chottu Ram, Leader of the Unionist Party, lent full support to the Bill, which was referred to a Select Committee.

OFFICIAL BILLS PASSED

The House then passed without discussion the *Punjab Municipal Tax Validating Bill*, *Punjab Small Towns Tax Validating Bill*, the *Punjab Municipal Amendment Bill* and the *Punjab Municipal Executive Officers' Bill*, all of which were minor official measures. The House then adjourned till the 26th.

Financial Statement for 1934-35

26th. FEBRUARY :—Introducing his fourth budget in the Council this afternoon, Sir *Henry Craik*, Finance Member, estimated the income on revenue account during the forthcoming financial year at Rs. 10,66 lakhs and the net expenditure charged to revenue at Rs. 10,15 lakhs. 'Although there are some indications that the worst period of economic depression has been passed, and though at the moment there are some slight signs of an upward trend in prices, there is certainly no ground for any complacent optimism', said Sir *Henry Craik*, summing up the outlook. He announced the Punjab Government's decision to continue for another year the temporary 5 per cent. cut in the pay of Government servants, thus resulting in a saving of Rs. 16 lakhs.

Summing up the results of his stewardship of the Punjab finances, Sir *Henry Craik* said: 'On the results of the whole series of four years as far as they can at present be visualised, we are, I think, entitled to look with a modest degree of satisfaction. We have been confronted with a period of economic depression unparalleled for more than a century. We have not so far imposed a penny of additional taxation. But, so far at any rate, we have succeeded in winning through on the right side. Many countries, and, indeed, several provinces in India, are now practically bankrupt, but our head is still above water and we are now certainly in a stronger position than we were two years ago.' The Finance Member said that the total amount of Government dues foregone during the last four years amounted to the 'enormous' sum of Rs. 6,13 lakhs.

Concluding, Sir *Henry Craik* said that the Government had been guided by two principles in the management of the province's finances during the last few years. The first of these is the necessity of showing its practical sympathy with the cultivator in his present distress by means of remissions in taxation up to the utmost possible limit. The second principle which we have steadfastly kept in mind is our obligation to conserve our resources so that we shall be able a year or two hence to hand over the province to our successors, when the promised reforms are introduced, in a sound financial condition. To secure this end we have been constrained during the last three years to draw our belts tight and deny ourselves many things which in more prosperous times we should have regarded as indispensable. This policy of rigid self-denial must, I fear, be continued for some time to come, for it is all important that the reformed constitution should have a fair start unhampered by financial embarrassments.'

The capital expenditure for 1934-35 is expected to amount to Rs. 1,32 lakhs. The revised estimates for 1933-34 show a surplus of Rs. 23 lakhs against an estimated surplus of Rs. 29 lakhs.

GENERAL DISCUSSION OF BUDGET

1st. MARCH :—During the general discussion of the Budget in the Council to-day, non-official speakers, including *Raja Narendranath*, Leader, Urban Party, urged that

the Government should give more relief to agriculturists. A plea for co-operation between urban and rural interests was made by Mr. *Manoharlal*, ex-Minister, who pointed out that the prosperity of the province could only result from the co-operation of all in a spirit of common citizenship. *Ch. Chottu Ram*, Leader, Rural Party, appreciating these sentiments, added that the interest of urban population were inter-connected, but some existing conflicts could not be overlooked.

2nd. MARCH :—Winding up the discussion in the Council to-day, the *Finance Member* assured those who desired surplus to be utilised for reduction of water charges if unforeseen calls are not made on the Government's purse, that Government would certainly afford what relief they could to agriculturists. The Finance Member also referred to All-India Services and observed that the cadre was not filled at present to the full extent. Regarding the reduction in salaries for new entrants, the Punjab Government, he said, had been in correspondence with the Central Government. Non-officials laid stress on the need for agriculturists. Mr. *Zafarullah Khan* (delegate to the Round Table Conference) urged that exchange ratio should be fixed at 1s. 4d. instead of 1s. 6d. Reduction of railway freights and industrial development were among the other points brought forward.

VOTING ON BUDGET DEMANDS

6th. MARCH :—The Government suffered a defeat in the Council to-day, when a token cut, which was moved to urge the reduction of 25 per cent in land revenue, was carried by 37 votes to 28.

The supporters of the motion dwelt on the "deplorable condition of agriculturists" and urged that new sources of revenue should be found in which connection they suggested industrial development. The Finance Member pointed out that a permanent 25 per cent reduction in water rates and land revenue would cost two crores. This was the Government's second defeat of the session, Government having suffered their first reverse earlier to-day, when a token cut urging the necessity of changing the Malkana Rates was carried by a majority of three votes.

8th. MARCH :—"Prohibit liquor consumption all over the Province and meet the consequent loss to revenue by raising taxes" said one Member to-day speaking on the token cut over the excise demand moved to discuss the excise policy of the Minister. He urged that the youth movement should be organised in villages for preaching temperance on rural reconstruction lines. The cut motion was withdrawn.

Earlier, the Council turned down the demand made by a non-official member through a token cut motion for reduction of price of country liquor. Opposing the motion, other non-officials urged that the price of the country liquor should on the other hand be increased. Government Members did not participate in the voting. The cut was negatived. The whole excise demand was voted.

12th. MARCH :—Whether a Provincial Council could discuss on adjournment motion the excise duty on sugar proposed in the Central Budget was the subject of consideration in the Council to-day.

This morning had been fixed for a discussion of the adjournment motion but when the House met, the President opined that as the matter did not involve the responsibility of the Punjab Government they had to consider whether the adjournment motion would be in order. Discussion of the matter on a resolution could, however, be permitted under Rule 126.

The *Leader of the House* agreed on this view and after some discussion it was agreed to discuss the question in the shape of a resolution.

Khan Bahadur Habibullah then moved that the imposition of the Excise Duty on sugar was prejudicial to the interests of the growers, consumers and manufacturers in the Province.

Ex-Minister *Manoharlal* said the import duty on sugar was imposed as a protective measure and it was a matter of the greatest surprise that so soon after that the excise duty should be proposed.

Sir *Joginder Singh*, Minister for Agriculture, speaking in his personal capacity, said the Punjab Government were not consulted by the central authorities with regard to the duty. He asked what would be the position of the provinces in the future Federation. Regarding the proposals for such duties, Sir *Joginder Singh* added that if any commodity produced in the province was to be taxed at least a large share of the proceeds should go to the provinces.

Dr. Gokulchand Narang, Minister for Local Self-Government, said it was still an open question whether sugar excise duty was a Central or Provincial source of revenue. He read extracts to show that Java held huge stocks of sugar and had already begun to undersell in the Indian markets.

Speakers generally urged that the duty was harmful to the cane-grower, manufacturer and consumer alike.

The resolution was carried without dissentients, Government members, except Ministers, did not participate in the debate.

The President had declared a cut motion carried and on the Government pressing for a division, division bells were already ringing when the cut motion was withdrawn. The cut sought to raise the question of assessments with regard to certain damaged crop in Dera Gazi Khan and the Revenue Member had spoken on it following which, as the mover did not withdraw the motion, the President put it to the House and declared it carried. The Government asked for a division and the House was about to divide accordingly when the Minister for Education suggested that the House had not correctly understood the Revenue Member's explanation.

Upon this the President called upon the Revenue Member again to explain the Government attitude. This was done and then the cut motion was withdrawn.

The Government, however, suffered one defeat this afternoon when a token cut was carried under one of the "Irrigation" heads with a view to bring to the notice of the Government waterlogging in certain areas thus affecting their productivity detrimentally. At question time the Revenue Member stated that special remissions in land revenue amounting to Rs. 9,19,000 were granted during the rabi 1933.

13th. MARCH:—With a view to drawing the attention to the travelling allowance of its members being insufficient, the Council to-day effected a token cut in the budget demand for General Administration (Reserved).

Government Members, as well as the Unionist Party, according to the Parliamentary practice of elected Members, could not vote on this token cut, as the matter concerned the members. The President, however, later ruled that the entire House could vote thereon.

Whether the Standing Committee of the House was a revising body regarding the Council's decisions was another point which came up during the discussion of the cut motion.

Supporters of the token cut complained that while cut in officials' salaries was restored by five per cent, the Council Members' allowances, which was reduced from 12 to 10 rupees per day, had not yet been restored.

The Finance Member explaining the position, observed that, while the token cut with a similar object was passed in 1932 by the Council, it did not receive general support of the House and, as the Government were doubtful regarding the exact wish of the House, the Standing Finance Committee was consulted. The latter opined that no action need be taken on the cut.

At this stage the President enquired whether the Standing Finance Committee was a revising authority. The President added that it was open to the Government to consult anyone, including the Standing Finance Committee, but the question was whether the Committee's decision would supersede the Council's decision.

The Chief Secretary explained that there was considerable discussion in 1932 on the motion which was carried in spite of the opposition by some members. The Government was doubtful whether to carry out the cut or not.

The President rejoined that the House gave its decision and the Chief Secretary was doubtful about the constitutional point. That point was referred to him and he gave his opinion on it. It was for the Government whether to carry out the Council's decision or not. The President added that he ought not to have been consulted, if his opinion was not given due weight.

At this stage the Finance Member said that financial stringency still continued, but if the House desired the allowance to be raised it would be raised. The Leader of the Unionist Party opposed the motion, which, however, was carried.

16th. MARCH:—A motion for a 'token cut' in the salary of the Minister for Local Self-Government, drawing attention to the paucity of Moslems in hydro-electric branch, was withdrawn after discussion.

A plea for joint Ministerial responsibility was made by Pandit Nanakchand in opposing the entire demand under General Administration. He urged that the time had come when Ministers should do away with the communalism jointly. Pandit

Nanakchand added that reforms were a failure and unless joint ministerial responsibility was realised, there could be no benefit from reforms. The Pandit was still speaking, when the guillotine fell and all demands were voted.

RESPONSIBILITIES OF MINISTERS

“Extend the control of the Minister over officers such as Commissioners and Deputy Commissioners”, was the subject of the ruling in the Council to-day. The President laid down that if a Deputy Commissioner or Commissioner did not act according to the policy determined by the Governor in consultation with the Minister, the latter's duty would be first to approach the Governor, or, if necessary, the Viceroy, or His Majesty's Government, and point out that his policy was not carried out by the officer. Otherwise, he should resign his Ministership.

The matter arose over a reply given by Dr. Gokulchand Narang, Minister for Local Self-Government, at question time yesterday, relating to a Municipality in Gurdaspur District put by Mr. Zafrullah Khan. The Minister had observed that he was not responsible for the Commissioner's action.

After voting the Budget demands to-day, the President referred to this question again and expressed the view that the Minister was responsible for the acts of his subordinates. The President further enquired where elected members of the Council should go after ventilating their grievances if the Minister stated he was not responsible for the actions of his subordinates.

Dr. Gokulchand Narang, replying, observed that this was a constitutional question. It was wrong to say that Ministers were not responsible to the Council. Ministers were guided by the Council but under the present constitutions, Ministers could not interfere in the action of the Deputy Commissioner or Commissioner. They could, however, advise them. The Deputy Commissioners were not under the Ministers, except to a very limited extent.

Sir Phiroze Khan Noon, Minister for Education, remarked that he was responsible for the actions of officers in his department. It was weakness to say that the Minister could not interfere in the actions of a Deputy Commissioner or Commissioner.

The President remarked that the Minister was responsible to the House individually. If the policy was not carried out by the Commissioner or Deputy Commissioner, the Minister's duty was to bring it to the notice of the Governor or Viceroy or His Majesty's Government. Otherwise he should resign.

At this stage, the Leader of the House, Sir Henry Craik, enquired whether the President was interpreting the rules?

The President observed that he never intended to give a ruling, but when a Minister persisted in saying that he was not responsible for the action of an officer under him, the President had to give a ruling. He was sorry that such a constitutional matter had arisen where he had to give a ruling.

Dr. Gokulchand Narang observed that he never asked for a ruling. He added that up to now no such case of noncompliance with the policy laid down by him had occurred. The House then adjourned till the 19th.

19th MARCH:—Reference to Friday's discussion in the Council on Ministerial control over certain officers was made to-day in the Council when, after questions, Sir Henry Craik said :

“During Friday afternoon, on a certain constitutional point, I made certain observations which I now realise might possibly be interpreted as implying disrespect to the Chair. I should greatly regret if you, Sir, should take anything that fell from me, as implying any disrespect or as challenging your authority. No such intention was present in my mind. I would only add this—that I was taken by surprise by the discussion referred to, on a purely hypothetical matter, which I do not think, was fair to have been referred to the Chair at all. I would refer in this connection to the opinion expressed by my predecessor as Leader of the House, Sir Fazli Hussain in 1930, when he said, ‘I may venture to point out that it is not right for any of us to ask the Chair to enter into constitutional controversies.’”

Sir Henry Craik added that in future no such issue would be raised by any member on the Government benches without previous consultation with the Chair and without his concurrence as Leader of the House and as representative of the Government on these matters.

The President replying said: “I am glad to hear a personal explanation made by the Leader of the House. I am sure it will remove every possibility of his being

misunderstood. Further, I heartily welcome his suggestion that Hon'ble members should refrain in future from raising in this House controversial constitutional questions and bringing in the Chair."

It will be recalled that on Friday last, the President of the Council gave a ruling that if a Deputy Commissioner or Commissioner did not act according to the policy determined by the Governor, in consultation with the Minister, the latter's duty would be first to approach the Governor, or if necessary the Viceroy, or His Majesty's Government, and point out that his policy was not carried out by the officer. Otherwise, he should resign his Ministership.

The matter arose over a reply given by Dr. Gokulchand Narang, Minister for the Local Self-Government, relating to a Municipality in Gurdaspur District, put by Mr. Zafullah Khan. The Minister had observed that he was not responsible for the Commissioner's action.

PUNJAB RELIEF OF INDEBTEDNESS BILL

20th. MARCH :—On the motion of the *Finance Member*, the Council adopted the proposal for circulation of the *Punjab Relief of Indebtedness Bill* with a view to eliciting opinion.

PUNJAB TOBACCO VEND FEES BILL.

Earlier, the House adopted clauses of the *Tobacco Vend Fees Bill* with some modifications. The Bill was then referred back to the select committee for formal incorporation of changes after which it will be presented for final adoption.

WOMEN IN LOCAL BODIES (CONT'D.)

22nd. MARCH :—The Council rejected by 25 to 49 votes a resolution that disqualification for registration on electoral rolls of Municipalities and District Boards should be removed in respect of women generally, and they should be allowed to stand as candidates for those bodies. There was a lively discussion on the proposal, which was moved by Srimathi Lekhawati Jain on the 20th. February.

The *Minister for Local Self-Government* pointed out that Municipalities were empowered to remove the sex-disqualification by adopting a resolution to that effect. He stated that if women were enfranchised one community would be benefitted while another community, namely Moslems, will not have that advantage as women of that community might not go as freely to the polling booths. The Minister expressed Government sympathy with the resolution and added that Government would invite opinions thereon from Municipalities and District Boards.

MUNICIPAL EXECUTIVE OFFICERS' AMEND. BILL

23rd. MARCH :—The division bell failed to function in the Council to-day apparently owing to a defect in mechanism, and this being the last day of the Budget session, the House adjourned sine die without taking a decision on the motion before it, namely, that the Punjab Municipal Executive Officers' Amendment Bill be referred to a Select Committee. Discussion proceeded throughout the day and towards the close of the sitting, it was proposed that the question be put to the House. Some members pressed for a division on this closure motion but division bell would not ring. The House then adjourned sine die.

Special Session—Simla—26th. to 28th. June 1934

THE RURAL INDEBTEDNESS BILL*

The three-day's session of the Council opened on the 26th. June 1934 in the hall of the Legislative Assembly, Simla, for which special permission was granted by the President, Sir R. K. Shanmukham Chetti. The Hon'ble Chaudhury Sir Sahab-uddin, President of the Council, was in the chair.

*The Bill aimed to amend the law relating to the relations between debtors and creditors and sought among other things to define the term "agriculturist" according to the Deccan Agricultural Relief Act, and adopted the definition of 'interest' and 'loan' from the Usurious Loans Act of 1918. The Bill also proposed to amend the Provincial Insolvency Act of 1920 so as to enable the debtor, whose debts exceed Rs. 250 and

The only item of discussion by the Council was the Punjab Relief of Indebtedness Bill. The Hon'ble Mr. D. J. Boyd, Finance Member moved that the Bill be referred to a Select Committee consisting of Rao Bahadur Chottu Ram, Khan Bahadur Sardar Habib Ullab, Khan Bahadur Nawab Muhammad Hayat Qureshi, Dewan Bahadur Raja Narendranath, Mr. Manohar Lal, Sardar Bishen Singh, Pir Akbar Ali, the Hon'ble Sir Miles Irving, Mr. J. D. Anderson, nominee of the President and the mover.

It might be remembered that the Bill was introduced on March 20 last in the Lahore session of the Council. In the statement of objects and reasons, it was mentioned that in 1929 the total volume of agricultural debt in the Punjab was estimated by the Provincial Banking Enquiry Committee at 135 crores of rupees. Since that date, the sharp fall in the prices of agricultural produce had made the pressure of debt on the cultivator even heavier than these figures indicated, and the problem of finding some relief had now become a very acute one. At the end of March 1932, the Punjab Government appointed a Committee of members of the Legislative Council to consider this problem and to submit proposals for its solution. The report of the Committee had been debated in the Legislative Council and had been for some time under the careful consideration of the Government.

Mr. Boyd moving for a Select Committee referred to the voluminous mass of opinions collected on the Bill and anticipated a feast of oratory in this session. He alluded particularly to the opinion of Mr. Ormerod, District and Sessions Judge, Ambala, who described the measure as 'pompous futility'. The opinions of High Court judges were not altogether one of condemnation. Zamindars, while viewing the measure as necessary, wanted drastic changes.

Mr. Boyd assured the House that the Government was not trying any heroic measures but that they had brought in a measure to meet the present abnormal conditions in the Punjab, where springs of credit were disappearing. Certain heroic measures were attempted in Rumania, Yugoslavia and United States; but the attempts failed to secure that desired objective. It only proved that any interference with economic laws was almost as difficult and dangerous as interference with the laws of nature. He reminded the House that zamindars of the Punjab already enjoyed a degree of protection and privilege under the Land Alienation Act. While some thought that the Bill did not go far enough, others, particularly money-lenders, said that the Bill went too far and, indeed, there was hardly any language in the vocabulary which was not used to condemn the Bill. But, if the House studied the provisions of the Bill calmly, they would find there was good deal to commend it instead of dismissing it as wholesale robbery. In the Punjab, the business of

whose total property does not exceed Rs. 1,000 to take advantage of the simplified procedure provided by Section 74 of that Act. In seeking to amend the Usurious Loans Act, the present Bill of the Punjab Government further made it obligatory on the court to take one of the forms of action laid down in Section 3 of the Act of 1918, if two conditions exist, viz., (a) that interest charged was excessive and (b) that the transaction as between the parties thereto was substantially unfair.

The Bill also sought to define what rates of interest shall and shall not be deemed to be excessive and intends to enable Government to set up Debt Conciliation Boards, in any area in the province, defining at the same time the powers and functions of such Boards and the effect of reference to such Board. It is stated to be the intention of the Punjab Government if this Bill is passed into law, to set up Debt Conciliation Boards as an experimental measure in one or two carefully selected areas. The Bill further proposed to amend the provisions of the Code of Civil Procedure, dealing with the arrest and detention of the judgment-debtor by making it obligatory for the court to issue a notice, before issuing the warrant of arrest and allowed the court to take into consideration any allegations made by the decree-holder before disallowing the application for the arrest of the judgment-debtor.

Loans by banks are not subject to provisions of this Bill.

The Bill also enabled the agriculturist debtor to make a deposit in court, either in full or part payment of his debt, with a view to relieve him from the burden of interest. Many of the provisions of this Bill would appear to have been based on certain provincial legislation, like those of the United Provinces Reduction of Interest Bill, the Central Provinces Debt Conciliation Bill, the Bengal Money Lenders' Bill and the United Provinces Agriculturists' Relief Bill.

financing agriculture was now at a standstill and the Bill was an attempt to bring the debtor and the creditor together into a mutually advantageous position. Mr. Boyd hoped that nothing would be done to embitter the relations between these two classes of people. In short, the Bill was intended to meet the present-day conditions of credit in the Punjab and protect the agriculturists from money-lenders.

Mr. Mahomed Din Malik opposed the Bill as it really aimed at safeguarding the Government revenues.

Mr. Allahdad Khan supported it and warned money-lenders against more murders, if zamindars were not given relief.

Mr. Mukundal Puri referred to the unanimous report of the Committee on indebtedness which said that permanent relief could come only through industrial development and subsidiary occupation. He criticised the measure at length as being unfair to some classes. The Council then adjourned.

27th. JUNE :—Mr. Chaudhari was opposing the motion for adjournment moved by Mr. Habibullah and said that Mr. Habibullah should not, according to previous ruling of the Chair, be allowed to participate in the debate as he was financially interested in the matter and would benefit if occupier's rates on fodder were not enhanced.

The President said that his ruling had been misquoted and asked the Member to withdraw.

Mr. Allahdad Khan withdrew his remark and thereafter Mr. Allahdad said that Mr. Habibullah had lost the confidence of Zamindars and of his constituency.

The President called on him to conclude his speech and not persist in disorderly conduct. He asked the Member to resume his seat.

Mr. Allahdad Khan said, "Then, Sir, I oppose the Bill" and sat down.

The President said that as the Member had persisted in disorderly conduct, he would ask him to withdraw from the House.

Mr. Labh Singh asked the President to review his order of expulsion as it was rather harsh. He hoped the Chair would show indulgence.

President :—You mean he should be forgiven.

Voice :—Yes.

Mr. Allahdad Khan than entered the chamber amidst cheers.

Mr. Habibullah's adjournment motion for protesting against the enhancement of occupiers' rates on fodder was carried by 33 to 25 votes.

Sir Miles Irving said that the concession had not, during the past three years, increased the acreage for fodder and its enhancement had enabled the Government to give larger relief in respect of cotton and wheat crops.

The original occupiers' rate was Rs. 1-8 per acre which was increased to Rs 2-8 fetching for the Government an extra revenue of Rs. 26 lakhs.

The House at this stage adjourned.

28th. JUNE :—The Council concluded the three-days' session to-day and adjourned *sine die*. The Punjab Relief from Indebtedness Bill was referred to a Select Committee of thirteen members.

But when the President and Government found that a large number of additional members were being proposed for the Committee they stuck to the committee of thirteen.

The "no-confidence" motion in the Chair given notice of by Chaudhury Allahdad Khan was not moved. Four members took Chaudhury Allahdad Khan to the Chair and after some talks, the matter was dropped by the mover.

The Council then adjourned *sine die*.

THE B. & O. LEGISLATIVE COUNCIL

LIST OF MEMBERS

- THE HON'BLE BABU RAJANDHARI SINGH—*President.*
- RAI BAHADUR LAKSHMIDHAR MAHANTI—*Deputy President.*
- 1 THE HON'BLE M. J. T. WHITTY (*Home Member*)
 - 2 THE HON'BLE BABU NIRSU NARAYAN SINHA (*Finance Member*)
 - 3 THE HON'BLE DR. SIR GANESH DATTA SINGH (*Minister*)
 - 4 THE HON'BLE MR. SAIYID ABDUL AZIZ (*Minister*)
 - 5 MR. R. E. RUSSEL
 - 6 MR. H. C. PRIOR
 - 7 MR. W. G. LACEY
 - 8 MR. J. W. HOULTON
 - 9 MR. B. K. GOKHALE
 - 10 MR. H. R. MEREDITH
 - 11 MR. F. A. BETTERTON
 - 12 MR. W. B. BRETT
 - 13 MR. H. LAMBERT
 - 14 MR. N. F. PECK
 - 15 MR. Y. A. GODBOLE
 - 16 MR. J. E. SCOTT
 - 17 BABU SHIVA SHANKAR JHA
 - 18 BABU GUR SAHAY LAL
 - 19 MR. J. THOMAS
 - 20 MR. W. H. MEYRICK
 - 21 MR. IAN A. CLARK
 - 22 RAJA BAHADUR HARIHAR PRASHAD NARAYAN SINGH
 - 23 MR. A. E. D'SILVA
 - 24 REV. BRAJANANDA DAS
 - 25 RAI BAHADUR KEDAR NATH
 - 26 MR. R. CHANDRA
 - 27 CHAUDHRI SHARAFAT HUSSAIN
 - 28 BABU BIMALA CHARAN SINGH
 - 29 RAI SAHIB SRI BALLABH DAS
 - 30 BABU RAM NARAYAN
 - 31 RAI BAHADUR RAM RANVIJAYA SINGH
 - 32 RAI BAHADUR HARENDRA NATH BANERJI
 - 33 RAI BAHADUR BIRENDRA NATH CHAKRAVARTI
 - 34 MR. SAGRAM HEMBROME
 - 35 MR. GARbett CAPTAIN MANKI
 - 36 MAHANTH MANMOHAN DAS
 - 37 MR. SAIYID MUHAMMAD MEHDI
 - 38 MAULAVI SAIYID MUHAMMAD HAFEEZ
 - 39 RAI BAHADUR DALIP NARAYAN SINGH
 - 40 BABU CHANDRESHVAR PRASHAD NARAYAN SINHA
 - 41 BABU MAHESHVARI PRASHAD NARAYAN DEO
 - 42 BABU JAGDEVIA PRASHAD SINGH
 - 43 BABU SARDANANDA KUMAR
 - 44 BABU RAMASRAY PRASHAD CHAUDHURI
 - 45 BABU HAREKRISHNA CHAUDHURY
 - 46 BABU SRI NARAYAN MAHTA
 - 47 BABU RAMESHVAR PRASAD SINGH
 - 48 KHAN BAHADUR SHAH MUHAMMAD YAHYA
 - 49 MR. MUHAMMAD YUNUS
 - 50 MR. SAIYID MOIN-UD-DIN MIRZA
 - 51 KHAN BAHADUR ABDUL WAHAB KHAN
 - 52 KHAN BAHADUR HAJI MUHAMMAD BUX CHAUDHURI
 - 53 MAULVI ABDUL AZIZ KHAN
 - 54 BABU KALYAN SINGH
 - 55 RAI BAHADUR HALDAR PRASAD SINGH
 - 56 BHAIYA RUDRA PRATAP DEO
 - 57 BABU SHYAM NARAYAN SINGH SHARMA
 - 58 RAI BAHADUR SARAT CHANDRA RAY
 - 59 RAI BAHADUR LAKSHMIDHAR MAHANTI
 - 60 BABU HARIHAR DAS
 - 61 RAI BAHADUR LOKNATH MISRA
 - 62 BABU BRAJAMOHAN PANDA
 - 63 BABU BIRBAR NARAYAN CHANDRA DHIR NARENDRa
 - 64 BABU SHIB CHANDRA SINGHA
 - 65 BABU DEVENDRA NATH SAMANTA
 - 66 BABU RAMESHWAR PRATAP SAHI
 - 67 BABU BADRI NARAYAN SINGH
 - 68 BABU RUDRA PRATAP SINGH
 - 69 BABU BISHUNDEO NARAYAN SINGH
 - 70 MAULAVI KHALILUR RAHMAN
 - 71 MAULVI MUHAMMAD ABDUL GHANI

72 MAULAVI SHAIK MUHAMMAD SHAFI	89 BABU RAJESHVARI PRASHAD
73 KHAN BAHADUR HABIBUR RAHMAN	90 BABU HARMADEO PRASAD SINHA
74 MAULAVI ABDUL WADOOD	91 CHAUDHURI MUHAMMAD NAZIRUL HASAN
75 MAULAVI MUHAMMAD HASAN JAN	92 BABU RADHA MOHAN SINHA
76 KHAN BAHADUR SAGHIRUL HAQ	93 BABU RAMJIWAN HIMAT SINGKA
77 MR. S. M. CASSIM	94 MR. SACHCHIDANANDA SINHA
78	95 RAJA PRITHWI CHAND LAL CHOWDRY
79 BABU RAMANUGRAH NARAYAN SINGH	96 RAI BAHADUR DWARKA NATH
80 BABU BHAGWATI SARAN SINGH	97 RAI BAHADUR SHYAMNANDAN SAHAY
81 MAULVI SHAikh ABDUL JALIL	98 BABU SRIKRISHNA PRASAD
82 BABU GODAVARIS MISRA	99 BABU JOGENDRA MOHAN SINHA
83 RAI BAHADUR SATIS CHANDRA SINHA	100 BABU RADHA PRASAD SINHA
84 MR. KAMALDHARI LALL	101 MR. NANDA KUMAR GHOSH
85 RAI BAHADUR LACHHEMI PRASAD SINHA	102 RAI BAHADUR KRISHNADEVA NARAYAN MAHTHA
86 BABU JAGANNATH DAS	103 BABU LALITA PRASHAD CHAU-DHURI
87 BABU RADHARANJAN DAS	104 BABU KUNJA BIHARI CHANDRA
88 BABU NIKUNJA KISHORE DAS	105 BABU MANINDRA NATH MUKHERJI
	106 DR. SIR SAIYID SULTAN AHMAD

Proceedings of the Council

BUDGET SESSION—PATNA—14th. FEBRUARY TO 23rd. MARCH 1934

The Bihar Earthquake Tragedy

The earthquake situation in Bihar was the chief topic of discussion on the opening day of the Budget Session of the Bihar & Orissa Legislative Council at Patna on the 14th February 1934. His Excellency the Governor was present in the distinguished gallery.

Initiating the discussion, the *Finance Member* said that they were meeting to-day under the shadow of a great tragedy. Such disaster had not fallen upon the province within the memory of man. In a few seconds time the result of half a century of human toil and hope had been shattered and Bihar lay a stricken country. The effects of the earthquake of January 15 in Bihar was so terrific that for sometime communication with a great area was completely cut off.

Roads, railways and telegraph lines were out of action. Telegraph communication between Patna and North Bihar is through Muzaffarpur. When the earthquake occurred the line from Patna to Muzaffarpur broke down and was not reopened till 10 a. m. on the morning of January 16. Telegraph lines from Muzaffarpur to Motihari reopened on January 18 and to Darbhanga on January 19. Telegraph line between Muzaffarpur and Sitamarhi was not restored till January 24. Over approximately nine hundred miles there was hardly a mile of track of the Bengal and the North Western Railway which was not seriously affected.

The total number of deaths reported up-to-date was 7,057. The greatest loss of life occurred as might be expected in Tirhat Division where the number of deaths was 5,295. In Muzaffarpur district alone 2,484 lives were lost. In Muzaffarpur town there were 956 deaths reported. In Sitamarhi Sub-division, where perhaps the shock was the most intense and havoc most complete, 942 lives were lost mostly in Sitamarhi itself and in Belsand and Pupri police stations in Hajipur Sub-division in the south of the district the total loss of life was 227, in Darbhanga the loss of

life was 2,128, over half of it was in Madhubani Sub-division. In Champaran the total loss of life was 499 mostly in Sadar Sub-division. In Monghyr the loss of life occurred almost entirely in the town. There it was put to twelve hundred.

The death roll in other districts are as follows : Patna 138, Gaya 34, Shahabad 22, Saran 184, Bhagalpur 174, Purnea 2. These figures were, except in the case of Monghyr town, the result of counting every case through the agency of the police and village watchmen and staff employed in clearing ruined quarters of towns.

Dealing with the material damage done by the earthquake which was impossible to estimate at present, he added that the damage to Government property consisted of buildings destroyed or damaged such as courts, residences, halls, hospitals, schools, police stations, registration offices, and so on and damage to embankments. In some cases districts and sub-divisional headquarters have to be completely rebuilt and lakhs of rupees would be required to make good these losses. The total cost of all these new buildings and repairs were likely to be over rather than under a crore of rupees. The loss to the Bengal and North Western Railways would be colossal. Damage to private property in Monghyr, Muzaffarpur and Darbhanga was terrible.

The first news of the disaster at Muzaffarpur reached the Government on the morning of January 16 by a letter sent down by hand during the night. From Monghyr the first news was by telegram despatched by the Commissioner from Bhagalpur on the evening of January 15, which reached the Government in Patna on the morning of 16. In the same morning a party of four doctors and five senior medical students were despatched to Monghyr and a party of seven Public Health doctors to Muzaffarpur and Tirhut on the morning of 17. At midday on the 16th the Government telephoned to Calcutta for two aeroplanes which on arrival were used for getting news of Muzaffarpur and making air reconnaissances in the affected parts of North Bihar.

The first question has obviously been one of finance. The local Government could not even afford to make good their own losses, much less give any help to others however sore their need might be. Sir Alan Parsons, Finance Secretary to the Government of India visited Patna a few days ago. The Government of India were prepared to meet the local Government in a generous spirit and the matter was under consideration but he was not yet at liberty to make a definite statement regarding the extent or the manner in which it was proposed the help would be provided. He might, however, say that the local Government hoped that they would be in a position to give loans to private persons to help them in the reconstruction of their houses and with this object a bill was being introduced immediately in the Council.

After expressing deep gratitude they owed to the army for the help they rendered he concluded : "The disaster has drawn us together. Our minds have been touched to finer issues. Let us see to it that in the New Bihar that will surely rise upon the ruins of the old this happy union will continue. That as we are now striving together to bring comfort and relief to the homeless, bereft and destitute, so we will always strive to preserve and foster this admirable spirit and create Bihar in which life would be fuller and nobler for generations that will come after."

Financial Statement for 1934-35

The Hon'ble Mr. Nirsu Narayan Sinha, Finance Member then introduced the budget estimates for the year 1934-35. He informed the Council that the budget he was presenting had been finally approved on January 15 just $2\frac{1}{2}$ hours before the earthquake.

That calamity will have a serious effect on some of the principal heads of revenue, e. g., the recovery of land revenue is likely to be delayed, irrigation receipts from the Dhaka canal will be reduced, receipts for stamps, registration and house rent will decrease and excise revenue may also be affected. On the other hand, expenditure must be increased under almost all heads. It had not been possible within the short time available to frame even the roughest estimate of loss of revenue or increase of expenditure.

The Finance Member had, therefore, decided to present the budget as it had been approved before the earthquake as a justification for the demands which the Council would be asked to vote, though in the altered circumstances it could not

be taken as an accurate estimate of expenditure likely to be incurred in 1934-35 or of the ways and means position of the province.

He emphasised that the budget made no provision for earthquake expenditure, but stated that the Council would be informed later of the total estimated expenditure in connection with that catastrophe.

The actual revenue (excluding capital heads) in 1932-33 turned out to be 5.06 lakhs and actual expenditure charged to revenue 5.00 lakhs. The revised estimate of 1933-34 provided for revenue 5.01 lakhs, land expenditure charged to revenue 5.11 lakhs. Of the 9 lakhs represents the restoration of 6 per cent out of the 10 per cent cut from the salaries of Government servants, and 2 lakhs represent the partial restoration of the primary education grant. Further additional expenditure of 3 lakhs had been authorised by the Council in the August session. The Hon'ble Member claimed that allowing for these factors the revised normal expenditure of 1933-34 anticipated before the earthquake was less than the actual expenditure of 1932-33. This result could only have been achieved by the collaboration of controlling and disbursing officers who have all realised the necessity for reducing expenditure. But reduction in expenditure cannot be continued for a series of years and repairs and other works which have been postponed temporarily must eventually be undertaken. The revenues of the province are insufficient to meet its ordinary expenditure, provide little or nothing for development and are quite incapable of meeting in full the expenses caused by the calamitous earthquake.

The Hon'ble Member then proceeded to compare the current estimates with the revised. The revenue would fall short of the current estimates of 5.09 lakhs by 8 lakhs and the expenditure charged to revenue (5.21 lakhs) by 10 lakhs. The reduction in revenue falls largely under land revenue, excise, irrigation, taxes on income and salt ; the main decrease being under excise.

The change in excise policy has checked the decline in revenue, but has not increased it to the extent expected. This was attributed partly to there having been no appreciable increase in purchasing power of consumers of excisable articles and partly to loss caused by illicit distillation.

Stamps, however, showed a steady increase. The decrease of 10 lakhs in expenditure was due to the 5 per cent. cut in salaries, for which the current budget did not allow postponement of elections and to savings under jails counterbalanced to a certain extent by increased expenditure under other heads.

The result of 1933-34 would be a reduction in the closing balance of the province by 10 lakhs and the closing balance would be reduced to 47 lakhs, including only 8 months in ordinary balance.

The Hon'ble Member then proceeded to the budget for the year 1934-35. The revenue (excluding capital heads) was estimated at 5.22 lakhs and expenditure charged to revenue of 5.37 lakhs, but owing to a change in accounting procedure an unusual sum of 7 lakhs had been included both in the revenue and the expenditure side. Further 5 and a half lakhs was being withdrawn from the excess balance in the Finance Relief Fund to meet new expenditure of a non-recurring nature and was not therefore true revenue.

Thus the true revenue of 1934-35 was 509 and half lakhs and expenditure 530 lakhs or an increase of 1 and a half lakhs in revenue and 9 lakhs in expenditure compared with the current budget. Some increase in revenue is expected under stamps, and an increase under Excise had also been provided in the hope that the turning point in purchasing power had been reached.

The increase in expenditure is due to increase in pensionary charges and under other heads. A very modest provision of 8 lakhs only has been made for new schemes and even of this 3 lakhs represent expenditure of a recurring nature.

The net result of 1934-35 would be a reduction in closing balance by 23 lakhs, involving an overdrawing of 5 and half lakhs from the excess balance in the Famine Relief Fund. Savings of 9 lakhs will, however, occur on account of the decision to continue the 5 per cent. cut in pay for another year. The decision of the Government of India was reached only a few days ago, and the local Government have also decided to continue the cut, though it has not been possible to incorporate the necessary changes in the budget.

In conclusion, the Hon'ble Member remarked that the earthquake has made it useless to give any picture of the ways and means position of the province. He emphasised however that the present revenue was inadequate to meet minimum expenditure. Despite the utmost efforts of economy and retrenchment during 4

years the ordinary balance which was 1.07 lakhs on the 1st April, 1930 had not only been absorbed, but a deficit of nearly 5 lakhs is anticipated. Unless excise improves, the normal revenue cannot be taken at more than 5.10 lakhs, the sources of revenue being inelastic. Allowing for the full pay of officers the expenditure, at the lowest figure, is 524 lakhs.

The province was thus faced with a deficit of 14 lakhs, even after giving effect to every possible economy and with no balance to draw upon. The Honourable the Finance Member thought that this was a serious position, but when he tried to visualise the financial effects of the earthquake he found it difficult to see the faintest glimmer of a silver lining.

DISCUSSION ON EARTHQUAKE SITUATION

15th. FEBRUARY:—No fewer than half a dozen non-official members participated to-day in the discussion of the earthquake situation initiated by the Government. All the speakers detailed the losses in respective areas and emphasised the need for proceeding with the work of reconstruction with the help of Government loans.

Mr. Ian Clark, of the Indian Mining Association, extended sympathy to the stricken people of Bihar and announced that the Association had contributed ten thousand rupees for the relief of the sufferers.

Mr. Chandreswar Prasad Narayan Sinha estimated that in order to restore communications, reclaim the affected agricultural lands and restore water supply in Muzaffarpore alone would cost about eighty lakhs.

Rai Bahadur Lachmi Prasad Sinha asked the Government of India to float a loan of thirty crores to help in the work of reconstruction. This should be charged not only to hapless Bihar, but to the whole of India and Great Britain which should stand by Bihar in the great tragedy.

Khan Bahadur Saghirul Haq suggested the provision of long-term finance on the co-operative basis through the creation of land mortgage banks for restoring agricultural prosperity to the affected areas in North Bihar.

Mr. Meyrick (Bihar planters) said that the planting community was also hard hit and looked forward to the Government to advance loans on easy terms for reconstruction purpose.

16th. FEBRUARY:—Rai Bahadur Shyamnandan Sahay paid tribute to the promptitude of local officers in Muzaffarpur, with which they dealt with the situation. He said that the estimate of the Secretary of State in the House of Commons that five crores would be required to rebuild the stricken province was far too small to meet the requirements of the situation. Besides the problem of reconstruction which would be measured on terms of crores, there was the question of feeding the destitute in the affected areas for sometime which, according to Babu Rajendra Prasad, would cost a lakh per day.

Rai Bahadur Dwarkanath also characterised the estimate of the Secretary of State as gross under-estimate considering the magnitude of the calamity, and perhaps fifty crores would be necessary to meet the requirements of the situation. There should be an international movement to help the stricken province of Bihar. The discussion was resumed after budget discussion.

Several members then participated in the general discussion of the budget.

Mr. Sacchidananda Sinha sympathised with the Finance Member at a time of exceptional difficulty due to the appalling earthquake disaster, the financial effects of which would be considerable and from which it will take the province very long time to recover.

Rai Bahadur Lachmi Prasad Sinha urged the Government of India to grant subvention to Bihar for a definite period, so that the stricken province might be able to carry on, particularly with the coming in of provincial autonomy.

Mr. Nirsu Narayan Singh, Finance Member, then wound up the discussion and replied to the points raised. He pointed out that Government proposals for expenditure in connection with the earthquake could not be placed before them, as it was impossible to estimate at present what expenditure would be necessary for the purpose.

Mr. Monindra Nath Mukherji, speaking on the earthquake situation, suggested that the Government should authorise the Bihar Central Relief Committee or such other like organisations to run a "Quake Relief Lottery" for a number of years on the lines of the Irish Hospital Sweepstakes, which would give them about a crore

of rupees. He also suggested issue of premium bonds of small units on the lines adopted by the French and the Belgian Governments and the city corporation.

Mr. Abdul Ghani said that the whole empire and the British Government should come to the help of stricken Bihar.

Mr. Srikrishna Prosad said that more lives could be saved in Monghyr if the Government promptly equipped the local officers with necessary resources and employed men to remove the debris and extricate persons buried under it.

17th FEBRUARY :—The discussion on the earthquake situation concluded to-day.

Mr. Sacchidananda Sinha, leader of the Opposition, said that the statement of the Secretary of State that five crores would be adequate to rebuild and rehabilitate stricken Bihar was a gross under-estimate. He thought that much more would be required to meet the requirements of the situation and the loan raised with the purpose should not be charged to the hapless province of Bihar but to the whole of India. He appealed for co-operation of all to reconstruct devastated Bihar and its economic and industrial life.

Winding up the discussion, Mr. Nirsu Narayan Sinha, Finance Member congratulated the members on the admirable manner the debate was concluded and assured them that all the suggestions made would merit careful consideration of the Government. H. E. the Viceroy and the Government of India were very sympathetic. The local Government would do best to urge upon them Bihar's necessity and they hoped that the Government of India would meet the demands of the local Government in a generous spirit. At the same time, while struggling in a national adversity like this, they as Biharis should put their shoulders to the wheel and thus accomplish the task of reconstruction of the province. The Council then adjourned till the 19th. March.

VOTING ON BUDGET GRANTS

19th. MARCH :—Voting on Budget grants commenced to-day. *Rai Bahadur Lachmi Prasad Sinha* under token cuts on the agriculture demand urged the need of the establishment of land mortgage banks to provide long term loans for the purpose of house buildings to those whose houses have been destroyed by the recent earthquake and adoption of necessary steps by the Government to reclaim agricultural lands damaged by the earthquake.

Several non-official members supported the proposal. The Government replying pointed out that indirect loans for the purpose of house building were already being advanced under the Natural Calamity Loans Act. But under the present financial stringency the Government could not undertake fresh liability of giving direct loan by establishment of mortgage banks. Various measures to deal with the problem of sand deposits were detailed and the members were assured that the Government were doing all that was possible to help the agriculturists by removal of sand and reclamation of agricultural lands. The cut motions were then withdrawn.

20th. MARCH :—Under token cuts in the provision for Orissa canals under the Irrigation demand, Mr. Jagannath Das raised a debate on Government policy regarding the flooded tracts in Orissa and in particular the action taken regarding the left embankment of the *Baitarni*.

Several Orissa members, including Mr. Godawaris Misra and *Rai Bahadur Lakshmidhar Mahanti* complained that Government had not adequately dealt with the problem of flood prevention and had not carried out the various recommendations of the Orissa Flood Committee in that connection.

Hon. Mr. Nirsu Narayan Sinha, Member-in-charge, Irrigation Department, replying, maintained that Government had carried out the majority of recommendations of the Flood Committee and had done their best to mitigate the suffering caused by floods. He pointed out that as the Expert Committee had reported it was humanly impossible to prevent floods altogether.

The cut motion was ultimately withdrawn. The Council then voted the entire demands under Irrigation, Registration, Forests and Stamps.

Under a token cut in the Land Revenue demand, *Rai Bahadur Lachmi Prasad Sinha* urged the necessity for suspension of land revenue and cess for the year and remission of cess in areas worst affected by the earthquake. Hon'ble Mr. J. T. Whitty, on behalf of Government, replying pointed out that time for payment of land revenue and cess was already being allowed in the worst affected areas in North Bihar

but a general suspension of land revenue and cess for a longer period would be undesirable. The discussion was not concluded when the Council adjourned.

21st. MARCH :—Government suffered the first defeat of the session when a token cut of Rs. 10. moved by Mr. *Abdul Ghani* on the demand for stationery and printing, was carried by 46 votes to 29 in the Council to-day. The mover urged that all Government publications be supplied free to non-official members of the Council.

Earlier, discussion was resumed on the token cut motion of *Rai Bahadur Lachmi Prasad Sinha* urging the necessity for suspension of land revenue and cess for a year in areas worst affected by the earthquake.

Rai Bahadur Dwarkanath and Mr. *Sachidananda Sinha*, supporting the motion, appealed to Government to extend relief to the affected areas.

Mr. *Chandreswar Prasad Narayan Singh* pointed out that the stage had not come when they should ask for suspension of land revenue and cess for a longer period. It was the duty of landlords and tenants to do their best to pay dues and also it was the duty of Government to help them to restore pre-earthquake condition.

Mr. *J. T. Whitty*, on behalf of Government, assured the members that the attitude of Government was sympathetic to give relief where relief was needed in affected areas in North Bihar. Time was being already allowed by Government for payment of revenue and cess. Instructions would also be issued to District Officers in other affected areas to deal sympathetically with cases of real hardship.

22nd. MARCH :—The policy of the Minister for Local Self-Government *Sir Ganesh Dutta Singh* in superseding the Cuttack Municipality and making nominations to local bodies was criticised by non-official members in the Council to-day under a token cut motion on provision for Ministers. Mr. *Godawaris Misra* and Mr. *Jogendra Mohan Sinha* asserted that the supersession of the Cuttack Municipality was unjustified and accused the Minister of favouritism in making nominations to local bodies.

Mr. *Lacey*, Secretary to the Local Self-Government Department, justified Government action in superseding the Municipality stating that the record of mal-administration of the Municipality extending over a long period left no alternative but to supersede it in the interest of rate-payers.

Sir Ganesh Dutta Singh, Minister, repudiated the charge of favouritism in nominations and maintained that nominations were rightly made.

Mr. *Sachidananda Sinha*, Leader of the Opposition, complained that the Minister had not followed the 'via media' of partial supersession as provided in the recently amended legislation. He thought that there was no settled principle behind nomination and deprecated the nomination of a fairly large number of members of the Legislative Council to local bodies which in his opinion however well-intentioned would prove demoralising.

The cut motion was ultimately withdrawn. The guillotine was then applied and the remaining budget demands were voted without discussion.

B. & O. EMERGENCY PROVISIONS BILL

23rd. MARCH :—Some Opposition members in the Council, led by Mr. *Sachidananda Sinha*, staged a walk-out to-day at the consideration stage of the Bihar and Orissa Municipal (Emergency Provisions) Bill. After the opposition amendment for circulation of the Bill was lost, they divided the House three times consecutively opposing consideration of the motion and two fresh clauses of the Bill and when they could not carry their points, they walked out. Afterwards the Bill was proceeded with clause by clause and passed by the Council.

The bill provided that if in the opinion of the Local Government the commissioners of any municipality were, owing to the effects of the recent earthquake, unable to discharge their functions satisfactorily, the Government may direct the commissioners of such municipalities to be relieved of all their functions for such period as may be specified. The bill would remain in force for three years.

The President then read to the House the Governor's order for proroguing the Council.

THE N. W. FRONTIER LEGISLATIVE COUNCIL

LIST OF MEMBERS

- 1 THE HON'BLE KHAN, KHAN BAHADUR, KHAN ABDUL GHAFUR KHAN, KHAN OF ZAIDA (*President*)
- 2 THE HON'BLE MR. G. CUNNINGHAM (*Executive Member*)
- 3 THE HON'BLE KHAN BAHADUR NAWAB SIR ABDUL QAYUM KHAN (*Minister*)
- 4 THOMSON, MR. J. S.
- 5 DUNDAS, MR. A. D. F.
- 6 ADAM, MR. J. H.
- 7 COLONEL C. I. BRIERLY
- 8 SARDAR, RAJA SINGH
- 9 ALLAH NAWAZ KHAN
- 10 KHAN GHULAM RABBANI KHAN
- 11 HASSAN ALI KHAN, SULTAN KHAN SAHIB
- 12 KHAN MALIK-UR-RAHMAN KHAN, KAYANI
- 13 NARINJAN SINGH BEDI, BABA
- 14 KHAN ABDUL GHAFUR KHAN
- 15 ABDUL QAYUM KHAN, MR.
- 16 ABDUL RAHMAN KHAN
- 17 KHAN ABDUL HAMID KHAN KUNDI
- 18 ABDUR RAHIM KHAN, KUNDI, KHAN BAHADUR
- 19 BAZ MUHAMMAD KHAN, KHAN BAHADUR, NAWAB
- 20 GHULAM HAIDER KHAN, KHAN BAHADUR
- 21 GHULAM HASSAN ALI SHAH alias HASAN GUL PIR
- 22 KHAN HIDAYTULLAH KHAN
- 23 KHAN HABIBULLAH KHAN
- 24 HAMIDULLAH KHAN, KHAN BAHADUR NAWAB
- 25 ISHER DAS, RAI BAHADUR LALA
- 26 KARAM CHAND, RAI BAHADUR
- 27 KHUDA BAKSH KHAN, MALIK
- 28 LADHA, RAM, LALA
- 29 MUHAMMAD ZAMAN KHAN KHAN SAHIB
- 30 KHAN MUHAMMAD ABBAS KHAN
- 31 MUHAMMAD SHARIF KHAN,
- 32 MUHAMMAD AYUB KHAN, MR.
- 33 MEHR CHAND KHANNA, RAI SAHIB, LALA
- 34 VACANT
- 35 PIR BAKSH, MR.
- 36 JAGGAT SINGH, SARDAR
- 37 ROCHI RAM, RAI SAHIB LALA
- 38 SULTAN MUHAMMAD KHAN, KHAN BAHADUR
- 39 SAMUNDAR KHAN, MR.
- 40 TAJ MUHAMMAD KHAN, KHAN BAHADUR

Proceedings of the Council

BUDGET SESSION—PESHAWAR—5th. FEBRUARY to 22nd. MARCH 1934
FINANCIAL STATEMENT FOR 1934-35

"Our revenue is estimated at Rs. 163 and a half lakhs and expenditure at Rs. 173 and three-fourth lakhs. We are budgeting for a deficit of Rs. 10^{1/2} and three-fourth lakhs at the end of the coming financial year. But for the continuance of the salary-cut for another year, the deficit would have been bigger by two lakhs"—this position was disclosed by budget estimates for 1934-35 which Mr. George Cunningham, Finance Member, presented to the N. W. Frontier Legislative Council, which opened its Budget Session at Peshawar on the 5th. March 1934.

"A considerable part of this deficit", said the Finance Member, "is of course explained by the inclusion in next year's budget of special items amounting to 4 and one-fourth lakhs of rupees, namely, one lakh and thirty thousand rupees for the construction of the Council Hall; Rs. 44,000 election charges; one lakh of rupees resumed from building grants to the District Board, Peshawar, in the previous years but not yet spent; Rs. 25,000 for the scheme for the supply of drinking water, and one lakh and seventeen thousand rupees for new buildings for the P. W. D."

Compared with the revised estimates for the current year, the decrease of four lakhs and forty-seven thousand rupees in revenue is anticipated mainly from excise license fees, forests, education, and civil works, while expenditure will increase by five lakhs and seventy-four thousand rupees on items postponed from last year.

Touching the capital debt account, the Finance Member called the House's attention to the provision of Rs. 1 and a half lakhs loan to the Bannu Municipality for the water-supply scheme and the loan for which the local Government applied to the Government of India for the proposed Hydro-Electric Scheme at Malakand. The expenditure on this scheme will probably be spread over four years, the total loan required being Rs. 42 lakhs from which Rs. 4 lakhs will be required next year. He hoped that when the scheme was complete, it would mean both a great addition to the comforts and amenities of life for the people of the Peshawar District and a great opportunity for them to improve their agricultural and economic position.

The Finance Member reminded the house that about the end of 1934 the question of subvention would come up for reconsideration and the present seemed to be a suitable opportunity for taking stock of these first three years under the reforms. "We started our career as a Governor's province in April 1932 with an opening balance of ten lakhs, granted by the Government of India, partly to give us a working balance for general purposes, partly to enable us to meet the specific items of two and a half lakhs for the Secretariat building and the Council Hall, half a lakh for the Public Works Department workshops, two lakhs for additional police and miscellaneous charges. Of these we completed some, and carried forward the cost of others from the current budget to the next budget. We may, therefore, say that from the opening balance of ten lakhs, five lakhs have been either spent or included under its proper head in the next budget. If, therefore, we were to end the coming financial year with a balance of five lakhs, we might say that over the period of these first three years we had exactly balanced our budget. Instead of Rs. 5 lakhs, we shall have a balance of Rs. 1 and three-fourth lakhs."

The Finance Member drew attention to the fact that the Local Government spent Rs. 8 and a half lakhs on the construction and improvement of roads from the grant received from the Central Road Development Fund. Concluding, the Finance Member said : "When we in the future look back on these three years, it is to be hoped that we shall be able to say we have passed without discredit through the most difficult economic period which this generation has known."

OBEIDULLAH'S HUNGER-STRIKE

8th. MARCH :—The first adjournment motion in the history of the Council was discussed to-day, when *Malik Khuda Baksh*, Leader of the Independents, moved an adjournment motion to discuss a matter of urgent public importance, namely, the release of Obeidullah, nephew of Abdul Gafoor Khan, now on hunger-strike in the Multan Jail whose condition was stated to be precarious.

Sir George Cunningham, Leader of the House, waived his objection and the President fixing 11-30 a. m. for the discussion the House adjourned for an hour. When the House reassembled, *Malik Khuda Baksh* appealed for the release of Obeidullah on humanitarian grounds. The delicate condition of the prisoner and the serious nature of the disease—tuberculosis—contracted in the jail should be sufficient to induce the Government to order his release.

Several speakers participated in the discussion, a non-official nominated member suggesting release if Obeidullah agreed to work for the economic uplift of the agriculturists.

Sir George Cunningham reiterated the Government's position, as already announced in the recent communiqué. The Government could not be forced to a particular line of action by prisoners by hunger-strike. They were not inspired by a spirit of vindictiveness in dealing with Red Shirt prisoners. Since July last they had released 1570 out of 1700 political prisoners gradually before the expiry of their full term. Imprisonment was an unfortunate necessity and had to be accepted as a means of enforcing law and order. Obeidullah could be released on furnishing the requisite security. The motion was talked out. The House then adjourned.

GENERAL DISCUSSION OF BUDGET

9th. MARCH :—*Malik Khuda Baksh*, Leader of the Opposition, initiated the general discussion on the budget to-day. He complained about Government's indifference towards the Council's opinion, embodied in the resolutions passed in the

previous session, asking for fifty per cent reduction in land revenue and constructive suggestions offered during the last two budget sessions.

Half a lakh for publicity offices and four lakhs expenditure in England came in for ruthless and uncompromising criticism at his hands. He did not see justification for the enhancement of the emoluments and the creation of new posts and offices and called the reformed constitution a white elephant. He, however, acknowledged that the Government had moved in the right direction in introducing three new bills to assist agriculturists, but he criticised their dilatory methods in circulating them.

Several speakers participated in the general discussion paying a tribute to the Finance Member for painting a gay and lovely picture on the back-ground of the economic depression and financial gloom.

Rai Bahadur Ishoedas suggested to the Government to utilise the interval up to the inauguration of the new constitution in the development of the economic resources of the province to meet the increasing expenditure.

Several members urged the local needs of their constituencies and relief of agricultural distress. Some expressed fears that the Malakand Hydro-Electric Scheme was proving a failure not befitting the agriculturists but the military cantonment. The House then adjourned.

10th. MARCH:—The Council concluded the general discussion on the Budget to-day. Several non-officials urged that the Government of India should be pressed to raise a subvention of one crore and forty-six lakhs of rupees recommended by the Haig Committee as without it the Frontier Province would find it increasingly difficult to make both ends meet.

A Hindu member attacked the Government for ignoring minorities in the recent recruitment of Naib Teshildars and Police Sub-Inspectors. *Maulvi Noor Baksh* urged one lakh reduction in Jail expenditure and 15 per cent in Civil Works. *Khan Bahadur Abdur Rahim* wanted a change of heart on the part of Government and felt bitterly disappointed that Government did not respect the Council's opinion, embodied in the resolution passed. He was contemplating resignation and advised his colleagues as conscientious representatives of the people to follow the same course. Sir *Abdul Qayum*, Minister, defending the attacks on the transferred Departments, assured the minorities that Government would be more sympathetic towards their claims, when the subvention was increased. The present limited finance was a necessary check on their beneficent activities.

Sir *George Cunningham* (Finance Member) referring to the change of heart assured that so far as he was concerned there could be no change of heart. He had been sympathetic in the past and would continue to be so in the future (Cheers). He said the figures of the Malakand Hydro-Electric Scheme were carefully scrutinised by Sir James Pitkethly and Mr. Thomas, Engineer, Punjab. The scheme would prove beneficial to big cities and agriculturists. As for the repayment of loan and interest on capital expenditure, he was ready to say that the Government of India would effect corresponding decrease in the subvention. The House then adjourned till the 12th.

12th. MARCH:—The Council held a short sitting to-day to pass supplementary demands for grants for the current year with respect to land revenue, administration of justice, famine and expenditure in England.

ARMS ACT AMENDMENT BILL

Mr. *Cunningham*, Finance Member, presented the report of the select committee on the Indian Arms Act Amendment Bill. The committee, after considering all the objections raised by the Opposition, opined that the bill did not infringe upon the rights of public and should be passed into law without any change. The Council then adjourned.

FRONTIER RYOTS' PLIGHT

13th. MARCH:—Ten resolutions figured on the agenda paper to-day when the Council met for non-official business. The whole day was devoted to a discussion of *Maulvi Noor Baksh's* resolution recommending to the Governor-in-Council to adopt suitable measure for rescuing agriculturists from the clutches of village money-lenders. *Maulvi Noor Baksh* said that the Banking Enquiry Committee estimated the agricultural indebtedness of the Frontier at eleven and half crores whose annual interest alone was six or sevenfold the land revenue and suggested the total repudiation of past liabilities.

Mr. *Pir Baksh* and several others urged the reorganisation of the educational system, adapting it to the zamindars' requirements. Money-lenders could utilise the capital in better ways by investing it in commercial and industrial concerns.

Mr. *Thompson*, Revenue Secretary, found it difficult to disagree with the principle underlying the resolution and said that Government could not view with favour the position of dependence to which agriculturists were drifting and they introduced in the current session the Regulation of Accounts Bill, Redemption of Mortgages and Usurious Loans Amendment Bill.

Sir *Abdul Qayum Khan*, Minister, said that the Government were seriously considering the reorganisation of primary education.

Sir *George Cunningham*, Finance Member, associated himself with the spirit of the resolution assuring them that the Government would be fair to both sides. A complete solution of the problem could not be achieved without a complete readjustment of the agricultural life. He hoped that the question would be considered at the forthcoming inter-Provincial Economic Conference.

The resolution was passed. The House then adjourned till the 15th.

THE SHARIAT BILL

15th. MARCH:—Exciting scenes were witnessed when the Independents who form the main opposition bloc in the Council staged a "walk out" as a mark of protest against the President's ruling holding that the motion for immediate consideration of Mr. *Habibullah Khan's* Shariat Bill was out of order as the seven days' notice, which was required, was not given.

Four members of the Liberal Party, including *Khan Bahadur Abdur Rahim Khan*, Deputy President, also joined in the "walk-out".

The President, *Khan Bahadur Abdul Gafoor Khan*, explaining the position, said that when on the score of time-limitation the motion was not admitted, the mover applied to invoke the exceptional powers of the Chair for the suspension of the Standing Order. The Chair had given best consideration to this aspect of the question. The circumstances of the case, the President added, did not justify the exercise of exceptional powers. The bill introduced was of very vital importance and would affect the social, religious and economic fabric of a large portion of the society and rural inhabitants of the Province, who formed 93 per cent of the entire population. "It also affects and abrogates several legislative enactments which are in force for three decades and designed for the benefit of the agriculturists. Obviously the Chair cannot lend itself, by exercise of its exceptional powers, to thrust so suddenly upon society a measure of such great importance and implication. There is no urgency either and the law which has stood the test of centuries can easily stand over for another six months".

The Bill aimed at enforcement of Muslim personal law regarding succession to special property of females, betrothal, marriage, divorce and power of adoption and guardianship.

On the motion of Sir *Abdul Qayum*, Minister, the Council agreed to circulation, for eliciting public opinion by the next session, of Mr. *Ghulam Rabbani's Rural Areas Bill* and *Rai Sahib Mehrchand's Local Option Bill* providing for restriction of sale of intoxicating liquor. The Council then adjourned.

VOTING ON BUDGET DEMANDS

17th. MARCH:—The Council commenced to-day voting on budget demands. Fifteen cuts in respect of twenty-eight demands were tabled. The cuts were either rejected, withdrawn or not moved.

As announced by the President yesterday, the last demand was taken first. Thres lakhs were granted in respect of advances of loans. An interesting debate followed *Rai Sahib Rochiram's* five rupees cut to criticise the general policy of the Government.

"Indiscriminate award of takavi to the rich, ignoring the needs of the poor Zamindars" was subjected to criticism by several members. The cut was withdrawn.

Another debate ensued on the motion of *Malik Khudabaksh*, Leader of the Opposition, for the total rejection of Rs. 27,000 in respect of expenditure in England with a view to effect economy because expenditure was not contemplated by the terms of the subvention. Sir *George Cunningham*, Finance Member, said that the Haig Committee was unable to include expenditure in England in

the subvention figure and left it to the Government of India to fix the sum which was included in the subvention. The cut was rejected.

Demands in respect of stationery, printing, commuted value of pensions, superannuation allowances and pensions were next passed without discussion.

The demand for Rs. 32,37,000 in respect of Civil Works (transferred) was passed after discussion on Rs. 50,000 cut moved by *Malik Khudabakhsh*, Leader of the Opposition, to curtail expenditure relating to officers' bungalows.

The last demand was made by the Minister, *Sir Abdul Qayum*, for Rs. 3,13,000 in respect of Agriculture.

A cut of Rs. 5 by an Independent member to bring to the Government's notice that the Agriculture Department had not proved beneficial was withdrawn, after the Minister's assurance. The House then adjourned till the 19th.

19th. MARCH :—The Council passed to-day Minister *Sir Abdul Khan*'s demands for Rs. 6,01,000 under the heads Medical, Public Health and Rs. 20,89,000 for Education. Cuts were moved but were rejected.

Lack of extensive attempts to combat malaria and tuberculosis was pointed out and Government's attention was drawn towards the ill-treatment of patients in hospitals, when Mr. *Abdul Hamid Khan* moved cut for Rs. 3 on the Medical and Public Health demand. The Minister said that they were doing their best to combat malaria and considering a tuberculosis sanatorium scheme.

Rai Sahib Meharchaind Khanna's cut of Rs. 1,200 in the education grant was rejected by 8 to 21 votes.

The House was discussing *Rai Sahib Rochiram*'s cut to raise a debate on the general unequal distribution of expenditure when the Council adjourned.

THE FINANCE BILL PASSED

20th. MARCH :—The Council passed the Finance Bill to-day. The President applied the guillotine when the House was discussing the *Finance Member*'s demand for Rs. 8,79,000 for jails and convicts settlements. Mr. *Abdul Ghafoor Khan* (Independent) through a token cut urged the undesirability of transferring frontier prisoners to non-Frontier jails and drew attention to ill-treatment in jail.

Sir George Cunningham, Finance Member, said that if a prisoner's relatives exerted the right influence and induced him to co-operate, the Government would consider free ticket concession. He assured the House that very few Frontier prisoners were left in non-Frontier jails.

After the guillotine the President put to vote the remaining demands which were passed, after the Opposition challenged three divisions and lost on the Irrigation capital and expenditure demand for Rs. 4,35,000, Rs. 89,000 for Excise and Registration, and Rs. 3,34,000 for Land Revenue and Stamps.

The Council also passed the demand for Rs. 14,43,000 for General Administration (Reserved), Rs. 45,000 General Administration (Transferred) and Rs. 6,28,000 for Administration of Justice. Earlier, the *Finance Member*'s demand of Rs. 29,33,000 for Police was passed.

A token cut by Mr. *Hidayatulla Khan*, urging promotion of 20 per cent of Provincial Service Police Officers to the Imperial Police Service was withdrawn after the assurance of the Inspector-General of Police and the Home Member, both of whom paid a tribute to the services of the Provincial Service Officers.

A greater part of the day was devoted to the discussion of Minister *Sir Abdul Qayum Khan*'s demand for Rs. 20,89,000 for education. All the four cuts moved were defeated. The House then adjourned.

INDIAN ARMS ACT FRONTIER AMEND. BILL

22nd. MARCH :—On the motion of the *Finance Member*, Mr. *Cunningham*, the Council passed the Indian Arms Act North-West Frontier Province Amendment Bill as reported by the Select Committee which opined that the Bill did not infringe the right of the public. A large quantity of arms and ammunition was imported into British territory which were used for the commission of violent crimes. The number of prosecutions under Section 19 (F) of the Arms Act, therefore, was very large and the obtaining of the previous sanction under Section 29 immensely increased the burden of the work of District Magistrates. The Bill repeals Section 29 of the Arms Act obviating the necessity for previous sanction.

The Council then adjourned *sine die*.

THE C. P. LEGISLATIVE COUNCIL

LIST OF MEMBERS

President—THE HON'BLE MR. S. W.
A. RIZVI

Executive Members

THE HON'BLE MR. E. RAGHAVENDRA RAO

THE HON'BLE MR. EYRE GORDON

Nominated Members—Officials

MR. CHARLES FRANCIS WATERFALL
MR. THOMAS COOK SAMUEL

JAYARATNAM

MR. RABINDRA NATH BANERJEE
MR. CHINTAMAN DWARKANATH DESHMUKH

RAO BAHADUR G. H. GOKHALE
MR. GOVERDHAN SHANKERLAL BHALJA

MR. EUSTACE ALBERIC MACNEE
MR. HENRY ARMRIOD HYDE

Non-officials

MR. LALMAN SINGH
THE REV'D. G. C. ROGERS

MR. G. A. GAVAI

MR. T. C. SAKHARE

MR. S. G. NAIK

GURU GOSAIN AGAMDASS

RAO SAHIB R. W. FULAY

MRS. RAMABAI TAMBE

Elected Members

MR. BALRAJ JAISWARA

MR. DADURAM

RAO SAHIB BADRI PRASAD PUJARI

MR. CHUNNU

MR. C. B. PARAKH

RAO SAHIB LALA JAINARAIN

MR. T. J. KEDAR

MR. SHEOPRASAD PANDE

MR. KASHI PRASAD PANDE

MR. JHUNNILAL VERMA

MR. DULICHAND

RAO BAHADUR DADU DWARKANATH SINGH

CHOURHARI MALTHULAL

MR. WAMAN YADO DESHMUKH

MR. ANJORE RAO KIRDUTT

MR. RAMSANEHJI GAURHA

KHAN BAHADUR F. F. TARAPORE

RAI BAHADUR GAJADHAR PRASAD JAISWAL

MR. GOPALRAO RAMBAU JOSHI

MR. ARJUNLAL

SETH SHEOLAL

MR. CHANDAN LAL

MR. GANPAT RAO SHANKAR RAO

DESHMUKH

MR. SHIVRAMPRASAD SULTANPRA-SAD TIWARI

THE HON'BLE RAI BAHADUR K. S. NAYUDU

MR. R. S. DUBE

MR. VINAYAK DAMODAR KOLTE

KHAN BAHADUR M. M. MULLNA

MR. IFTIKHAR ALI

THE HON'BLE MR. SYED WAKIL

AHMAD RIZVI

KHAN BAHADUR SYED HIFAZAT ALI

MR. MAHOMED YUSUF SHAREEF

(Minister)

BEOHAR GULAB SINGH

MR. D. T. MANGALMOORTI

MR. L. H. BARTLETT

SETH THAKURDAS GOVERDHANDAS

MR. VITHAL BANDHUJI CHAOBAL

(Minister)

MR. R. A. KANITKAR

DR. PANJABRAO SHAMRAO DESH-

MUKH

MR. MOTIRAO BAJIRAO TIDAKE

RAO SAHIB UTTAMRAO SITARAMJI

PATIL

MR. SHRIDHAR GOVIND SAPKAL

MR. UMEDSINGH NARAINSINGH

THAKUR

MR. NAIK DINKARRAO DHARRAO

RAJURKAR

MR. YADAV MADHAV KALE

MR. TUKARAM SHANKAR PATIL

MR. MAHADEO PAIKAJI KOLHE

MR. GANPAT SITARAM MALVI

MR. SYED MOBINUR RAHMAN

KHAN SAHIB MUZAFFAR HSUAIN

KHAN BAHADUR MIRZA RAHMAN BEG

THE HON'BLE MR. BALKRISHNA

GANESH KHAPARDE

RAO BAHADUR GAJANAN RAMCHAN-

DRA KOTHARE

Proceedings of the Council

WINTER SESSION—NAGPUR—18th to 26th. JANUARY 1934

OFFICIAL BILLS

The winter session of the C. P. Legislative Council opened at Nagpur on the 18th January 1934 with the hon. Mr. S. W. A. Rizvi, President in the chair. His Excellency Sir Hyde Gowar who entered the House in a procession addressed the members whereupon the House adjourned for a while.

The House then proceeded with official bills. The hon. Mr. E. Gordon presented the report of the select committee on the *C. P. Land Revenue (Amendment) Bill* which was then taken into consideration and passed into law. This was followed by the introduction of the *C. P. Debt Conciliation (Amendment) Bill* by the hon. Mr. E. Gordon, the *Usurious Loans (C. P. Amendment) Bill* by the Hon. Mr. Rao, the *C. P. Irrigation Amendment Bill* by the hon. Mr. E. Gordon and the *C. P. Village Panchayat (Amendment) Bill* by the hon. Mr. M. Y. Shareef.

During the course of the discussion on the bills, the *Leader of the House* announced that the motion referring to a select committee the *C. P. Hindu Religious and Charitable Trust Bill* introduced by Dr. Panjabrao Deshmukh, ex-Minister, in the August session of the Council and circulated for eliciting public opinion would not be made.

SPECIAL ENACTMENT FOR NAGPUR MUNICIPALITY

19th. JANUARY :—Mr. R. W. Fulay moved a resolution for constituting the Nagpur city municipality and the civil station sub-committee under a special enactment and making statutory provision for the appointment of executive officer, health officer, educational officer and improvement trust, with adequate power on the lines of other improvement trusts in India. He urged the appointment of a municipal commissioner for managing the growing activities of Nagpur. It was impossible, he said, to develop Nagpur without an improvement trust. He bitterly opposed the constituting of the civil station sub-committed into an independent and autonomous body separate from the Nagpur municipal committee.

Mr. C. B. Parakh moved an amendment to include the words 'on lines of the Bombay City Corporation Act' after the words 'special enactment' and to insert the words 'guaranteeing the independence of internal administration of the civil station area now administered by the civil station sub-committee which is in existence since 1884'.

The hon. Mr. M. Y. Shareef, Minister for Local Self-Government, opposed both the amendment and the resolution on the ground that Nagpur had not yet developed to such an extent as to require a corporation. The amendment was rejected. The House divided and rejected it by 6 to 83 votes.

REVENUE ASSESSMENT IN BERAR

Mr. S. G. Sapkal recommended by a resolution that the recovery of such portion of land revenue as was increased at the time of the last settlement in Buldana district and in Akot, Balapur and Akola Taluk of Akola district be stopped and that henceforth assessment of land revenue in this part should be the same as what it was previous to such settlement.

On the resolution a protracted discussion took place on the settlement administration and land revenue policy of the Government. Mr. B. G. Khaparde, in lending support, gave a graphic description of the miseries of agriculturists in Berar due to coercive processes and declared that they were selling trinkets on the persons of their nearest and dearest to pay Government revenue. Mr. T. C. S. Jayaratnam, settlement commissioner, and the hon. Mr. E. Gordon, Finance, Member denied the charges and maintained that the settlements were justifiable. Finally the resolution was carried the Government not challenging a division. The House then adjourned till the 22nd.

IRRIGATION ACT AMEND. BILL

22nd. JANUARY :—In moving the Irrigation Act Amending Bill to-day, Mr. Gordon said that the present system of assessing irrigation revenue was very complicated and necessitated the employment of an unduly expensive establishment. If the system were simplified, the staff could be reduced. The proposed system of assessment was already in existence in the adjoining province of Bihar and Orissa and was advantageous to the cultivator. The House unanimously agreed to circulate the Bill for eliciting public opinion thereon.

C. P. MUNICIPALITIES AMEND. BILL

Hon. Mr. M. Y. Shareef, next presented the report of the Select Committee on the Central Provinces Municipalities Amendment Bill. One of the clauses of the Bill sought to disqualify members and office-bearers of municipal committees from holding office in the event of their failing to pay municipal dues within thirty days from the date of special notice.

The House unanimously passed the Bill into law.

OPIUM SMOKING ACT AMEND. BILL

Mr. V. B. Choubal's Opium Smoking Act Amendment Bill, which was enacted into law, brought the day's business to a close. This Bill was first introduced on the 24th July last. It had undergone no change in the Select Committee and was unanimously passed into law.

C. P. DEBT CONCILIATION ACT AMEND. BILL

The C. P. Debt Conciliation Act Amendment Bill, increasing the maximum strength of conciliation boards from five to nine members, was passed into law without a discussion.

USURIOUS LOANS (C. P.) AMEND. BILL

Mr. Raghavendra Rao then moved that the "Usurious Loans (C. P.) Amendment Bill" defining what constitutes an excessive rate of interest be circulated for eliciting public opinion thereon. Mr. Rao said that the subject-matter of the Bill was of the greatest importance at the moment. He referred to the conclusion of the Royal Commission on Agriculture that the Usurious Loans Act of 1918 remained practically a dead letter in the province. The Bill was as good an attempt to improve the conditions of credit as was possible in the existing circumstances.

All sections of the House, excepting Nationalists, headed by Mr. Khaparde, demanded that the Bill be referred to a select committee, in view of the immediate need of giving effect to the provisions of the Bill. Nationalists were for circulation and opposed reference to a select committee. Ultimately, the House agreed to allow leave to the Home Member to withdraw his motion and to make a fresh motion for reference of the Bill to a select committee to-morrow.

OTHER OFFICIAL BILLS

23rd. JANUARY :—In the Council to-day two important Bills, namely, the *Usurious Loans Amendment* and the *Money Lenders Bills* were introduced by the Home Member and referred to a Select Committee.

The first Bill is based on the lines of the Bengal Money Lenders Bill, and provides that compound interest in excess of ten per cent would be excessive and also authorises courts to presume the rate of interest excessive and transaction unconscionable, if the interest in the case of secured loans exceeds 18 per cent.

The Moneylenders Bill, framed on the lines of the Punjab Regulation Accounts Act of 1930, embodying in addition the principle of Damdupat, and also giving courts extended power in fixing instalments for execution of decrees, met with a storm of protest from some members headed by Mr. Khaparde, Nationalist Leader, whose amendment for circulating the Bill for eliciting public opinion was lost.

The Hon'ble Mr. Choubal's C. P. Excise Amendment Bill and Hon. Mr. M. Y. Shareef's C. P. Village Panchayat Amendment Bill, were then passed into law. The former Bill provides for more stringent provisions to deal with habitual offenders.

The following three bills were then sent to a select committee. Hon. Mr. Shareef's C. P. Local Self-Government Second Amendment Bill, the C. P. Village

Panchayat Amendment Bill and Hon. Mr. Chaubal's Central Provinces Prevention of Cattle Diseases Bill.

NON-OFFICIAL BILLS

24th. JANUARY :—The Council devoted the whole day to discussion of non-official Bills. The first two bills, viz. Mr. Fulay's Municipalities Amendment Bill (prohibiting the employment of woman and children at night in municipal markets) and Mr. Y. M. Kale's Nagpur University Amendment Bill were quickly disposed of and passed.

Mr. P. Kohle's Local Self-Government Amendment Bill and the C. P. Municipalities Amendment Bill were next passed. These dealt with the disability of lawyers suspended from practice or convicted for political offences from contesting elections to local bodies.

Hon. Mr. Shareef, Minister, explaining the Government's position stated that it was desirable to keep away unhealthy influences from these bodies.

Mr. M. P. Kolhe's Village Panchayat Amendment Bill which sought to confer wider powers on local bodies occupied much of the time of the House to-day, but was ultimately thrown out.

Mr. P. Pande's C. P. Land Revenue Amendment Bill, designed to repeal the provision of the Revenue Code by which a defaulter could be put under arrest or detained in the civil jail until revenue was recovered was after some discussion referred to a select committee.

Mr. R. W. Fulay's (Labour) C. P. Industrial Debtors Bill, which was proposed to be referred to a select committee, evoked an objection from Mr. Kanitker (Nationalist, Buldana), who enquired if a Bill defeated in a previous session could be brought up again.

The President ruled that, as there were no specific provision in the standing orders on this question, he would give the benefit of doubt to Mr. Fulay.

Mr. Khaparde (Leader of the Nationalists) was the only opponent of this Bill, as he considered that it would restrict the flow of capital from the creditor to the industrial debtor. He bitterly complained that the C. P. Council was persistently passing legislation which was definitely in the interest of one class of persons.

Mr. Fulay pointed out that the Bill had been framed in accordance with the recommendations of the Royal Commission on Labour, and he asked the House to be more generous towards poor people. He was backed by Messrs. Deshmukh, S. M. Rahiman and Rogers.

Mr. Gordon recapitulated the circumstances under which the House had previously negatived the measure, but on this occasion he said the Government would remain neutral and would not put any objection if the House desired to adopt it. The motion for a select committee was accepted. The House then adjourned.

C. P. MUNICIPALITIES AMEND. BILL

25th. JANUARY :—The Council spent a most dreary day to-day, discussing non-official resolutions after disposing of legislative business. Mr. R. W. Fulay (Labour), moved that his Central Provinces Municipalities Amendment Bill seeking to extend the life of the Municipal Committees from three to five years, be referred to a select committee. Mr. Fulay observed that the present lease of three years' life was too small. The first year was generally spent in studying problems and by the time a new policy was being worked by such a committee, the third year approached and very little work was done as the members felt that they must look to the elections rather than to the work of civic improvement.

Mr. R. A. Kanitker (Buldana) opposed the principle of the Bill and stated that the proposed move had not the sanction of the electorate. He did not attach any value to the views of municipal committees, as the present members were persons going to be benefitted by the proposed legislation. He moved an amendment for recirculation of the Bill for eliciting the opinion of the electorate. Mr. Sapkal (Akola), opposing the amendment, said that it was too much to say that municipalities did not reflect public opinion. Rai Bahadur Nayudu, Leader of the Democrats, supported Mr. Kantiker's amendment. Mr. Kolhe from Yeotmal, supporting the amendment, advocated a referendum being taken on the question.

The amendment was carried by 31 votes to 19.

Fourteen other Bills were then introduced, and circulated for eliciting opinion.

NON-OFFICIAL RESOLUTIONS

Only three resolutions were discussed in the Council to-day, two of which were carried without a division. The first stood in the name of Mr. T. S. Patil, but was moved by Rao Saheb V. S. Patil in the absence of the former. It urged the exemption of the income derived from ginning raw cotton. Several members supported Mr. Patil's resolution.

Mr. C. D. Deshmukh, Finance Secretary, explaining the Government's view said that there was already a weighty body of opinion asking why agriculturists' income should not be taxed. He could not see why exemption should be granted in the case of a particular section of the community or a particular commodity. He feared that the proposed exemption would benefit only a few. Finally, he undertook to forward the proceedings to the Government of India as the matter was beyond the competence of the Local Government. He added that he could not give any undertaking on the subject which might prejudice the Government of India's decision.

The resolution was carried.

Seth Dulichand (Saugor) by a resolution urged the appointment of debt conciliation boards for districts as a whole, and not for tahsils.

Mr. M. P. Kolhe moved an amendment that conciliation boards should be extended to all districts of C. P. and Berar. The mover accepted the amendment.

Rao Bahadur Dadu Dwarkanath Singh, Rao Bahadur K. S. Nayudu, Dr. Panjabrao Deshmukh, Mr. W. Y. Deshmukh, Mr. S. Pandey, Mr. Iftikar Ali, Mr. Chunilal Verma and Mr. Rajurker supported the resolution. Mr. S. M. Rahiman opposed the resolution. The Hon'ble Mr. E. Gordon, Finance Member, opposed the resolution on financial grounds and stated that the Government favoured a gradual expansion of these boards, as debt conciliation was still in an experimental stage. The resolution was carried.

Discussion on the resolution of Mr. Panjabrao Deshmukh recommending the stopping of the execution of civil decrees and the Co-operative Registrar's award for two years in view of successive failure of crops and low prices had not concluded when the Council was adjourned.

PLEA FOR REVENUE REMISSION

26th. JANUARY :—In the Council to-day, Mr. Kedar, Leader of the Coalition Party, moved "that in view of the general failure of crops and that the abnormally low rates of agricultural produce, this Council recommends to the Government that it be pleased to remit twenty five per cent to the land revenue for the current agricultural year and suspend the recovery of the suspended land revenue, taccavi and other agricultural loans by the Government".

In moving the resolution, Mr. Kedar observed : "Mine is a modest demand. The Government must do something to relieve the agriculturists. I realise the difficulties of the Government, but the difficulties of the agriculturists are greater than those of the Government."

Mr. M. P. Kolhe moved an amendment that for the words "to suspend recovery of suspended land revenue", the words "to remit or suspend as the case may be the recovery of the current land revenue and also of the re-suspended, suspended or unsuspended arrears of land revenue" shall be substituted.

Seth Thakurdas, Mr. Arjunlal and Seth Sheoalal spoke in support of the resolution.

The Revenue Secretary observed that though some damage to crops had been caused by the recent floods in Berar and parts of C. P., it was wrong to say that there had been a general failure of crops. The total area under cultivation of cotton and rice had risen as compared with last year, while that of Juar had fallen. In consequence of the Indo-Japanese trade agreement, the rates of cotton had considerably gone up. Proceeding, Mr. Banerjee said that the condition of the peasants did not show any appropriate deterioration, as compared with the previous years. The Government had already launched on measures calculated to give relief and minimum agricultural produce was exempted from attachment. Mr. Banerjee concluded that the condition of the agriculturist was not so gloomy as it was pictured to be and none of their forebodings had turned out to be true. No case had been made out for wholesale remission or suspension of land revenue and the Government were doing all they could to the areas that had suffered from local calamities.

The hon. Mr. E. Gordon said that there was still good margin left in the agriculturists' income. In spite of the remission of 12 and a half per cent in Madras, the C. P. incidence on acreage compared favourably with the reduced rate in Madras.

He asked the House to determine whether it would be a practical proposition to deprive the State of a revenue of Rs. 55 lakhs for the sake of a few annas' benefit to individuals, which meant limiting all the activities of the Government.

Mr. Kolhe's amendment was declared carried without a division.

FROST HAVOC

Frost and the damage caused by it to crops formed the subject of an adjournment motion which was moved by Mr. K. P. Pande but was ultimately withdrawn, after one hour's discussion. Mr. Pande said that the recent frost in Narsingpur and Jubbulpore districts came in as a fresh calamity. It had also affected parts of Berar. He pleaded that in view of this unusual phenomenon, the Local Government should apply to the Government of India for drawing upon the famine relief fund. He also urged the Finance Member to tour the affected areas with a view to obtaining first-hand information. Seven non-official members supported the motion.

The Hon. Mr. E. Gordon, replying, stated that the Government were not in possession of full information on the point. The Government would expedite the enquiry into the matter and they would not be slow in granting relief to the agriculturists if the situation warranted the same. On this assurance, the mover withdrew the motion. The House then adjourned *sine die*.

Budget Session—Nagpur—26th. February to 9th. March 1934

FINANCIAL STATEMENT FOR 1934-35

"All recent budgets of this Government have been based on the principle that we should, in times of depression, husband our resources and embark upon no heroic schemes, which we cannot afford. Government believes that at this time its primary duty is to attempt, at whatever sacrifice of desirable developments, to balance its expenditure with its income and that it will be serving the best interests of the province, if it hands over to the new Government, under the new constitution, a legacy of financial stability and a future that is not heavily mortgaged," said the Hon'ble Mr. E. Gordon, Finance member, presenting his budget before the C. P. Legislative Council at Nagpur on the 26th February 1934.

The Finance Member announced that the budget provides for a revenue of Rs. 473.17 lakhs and an expenditure, charged to revenue of Rs. 471.03 lakhs, leaving a surplus of Rs. 2.14 lakhs. Adding the debt head, but excluding famine relief funds, the total receipts are expected to amount to Rs. 434.80 lakhs and the total expenditure to Rs. 531.31 lakhs, leaving an estimated closing balance of Rs. 3.50 lakhs. It is hoped to have Rs. 46.30 lakhs in the Famine Relief Fund.

Speaking on new expenditure, the Finance Member pointed out that owing to continued financial stringency, cuts made in the current year in general purposes and education grants were maintained. Provision was made for Rs. 24,000 as grants to co-operative institutes and Rs. 15,000, for the destruction of rats in Nagpur and Jubbulpore towns. The bulk of the new provision, amounting to Rs. 3.94 lakhs, will be spent on road-work, financed from the Road Development Fund. A sum of Rs. 42,000 was provided for buying new machinery for the Government Press.

Referring to the debt position, the Hon'ble Member said that the total indebtedness had increased by Rs. 12.17 lakhs. The amount, which they now had to repay in the Famine Relief Fund, had decreased by Rs. 19.76 lakhs, while debts over 12 lakhs, have been reduced. Capital of just over 19 lakhs had been simultaneously written off. Concluding, the Finance Member said that on the revenue side, owing to the present agricultural depression, land revenue receipts, which accounted for more than half the total receipts, were at a complete standstill. The Excise revenue had decreased by one crore, as compared with the peak income, and about three-fourths of a crore, as compared with the average income.

GENERAL DISCUSSION OF BUDGET

27th. FEBRUARY :—The general discussion on the budget commenced to-day. Mr. K. P. Pande (Sihora) who opened the attack complained that the budget contained no provision for remissions of land revenue in spite of several resolutions passed by the Council and had been prepared without any regard to suffering masses.

Mr. S. M. Rahiman (Akola) sounded a note of warning and urged that, in the interests of all concerned the new reforms should be inaugurated as early as possible. He regretted that in spite of the Viceroy's announcement over Berar, the position remained what it was before the announcement. He felt that the Govern-

ment should have allowed Berar to enter the Federation as a separate unit and failed to see how existing difficulties could be solved by hugging Berar with C. P. Proceeding, Mr. Rahiman said there can be no gainsaying the fact that the Government had endeavoured to carry out the wishes of the House as regards retrenchment more than half way. But there was a limit to everything and no further substantial economies were possible. The primary function of every Government was to administer its affairs in such a manner as would lead to the prosperity of the people in general. The only course left open to the House now was either to be ready for fresh taxation or allow the activities of nation-building departments to come to a stand-still. Another complaint of the people to which the speaker wished to draw the attention of the Government was the unequal distribution of funds in the various departments of Government.

Thakur Umedsingh (Akola) urged the remission in land revenue and pointed out that Madras and other Provinces have done much to relieve agricultural distress.

Rao Bahadur Kothari (Berar Commerce) emphasised the need for industrial education while *Seth Sheolal* in a lengthy speech deplored the increased process fees.

Khan Bahadur Tarapore (Drug) congratulated the hon. Mr. E. Gordon for presenting a surplus budget and opposed the proposed tax on tobacco. Tobacco, he said, is not more a luxury to the agriculturist who wants to forget his present distress by a puff of smoke. He fervently appealed to the Government to patronise the local presses and specially drew the attention of the Government to the Central India Press where the "Daily News" was printed.

Mr. C. B. Parakh (Nagpur) joined in the chorus of congratulations and advocated reorientation of the excise policy in view of the abnormal fall in the excise revenue. The experiment in America had proved that the policy of prohibition had failed and it was essential that the policy of complete prohibition by stages to which Government stood committed, should be revised. He feared that the House would not agree to fresh taxation on tobacco unless further retrenchment in superior services was effected.

Mr. Kolhe (Yeotmal), put up a strong plea for the reduction of Rs. 50 lakhs in the estimates of land revenue receipts with a view to afford relief to the cultivator.

The Hon. Mr. M. Y. Shareef (Minister for Education) stated that the Government functioned as a whole and the transferred department could be administered consistently with efficient administration of all departments. The maximum of benefit at a minimum of expenditure was the watchword of Government at the present juncture. Referring to the complaint of Khan Saeb Muzaffar Hussain (Deputy President) that the budget paid no attention to the needs of Berar Muslims, the Minister stated that the Government had to deal with all alike, and assured the House that their handicaps in education would be removed as soon as the finances improved. Proceeding, he narrated various steps taken by the Government to improve public health and minimise infant mortality. It was his experience that adult education had failed and that the results obtained from fifty adult schools were far from encouraging.

The Hon. Mr. Choubal (Excise Minister) was optimistic about village uplift work which was being carried on in every province of India. The Government, he said, will certainly welcome the constructive suggestions as regards excise.

The Hon. Mr. E. Raghavendra Rao, Home Member, announced that in pursuance of the resolution recently passed by the Council, the Government had ordered a reduction of process fees in rent suits and the decision of the Government would be gazetted soon. The policy of the Government was not to encourage recruitment to the services on a communal basis, but consistent with the standard of efficiency, Government were prepared to accommodate members of the depressed classes in subordinate judicial service and the police.

Hon. Mr. E. Gordon wound up the debate. He was glad that members appreciated the efforts of Government to cut down expenditure. He was at a loss to know why members should not ask the Government to follow the example of Madras in the matter of the restoration of the salary cut if it was to follow that Province as regards the remission of land revenues. The time had not yet come when unemployment was serious in any degree, and the Government were ready with their programme if and when occasion arose. He expressed inability to undertake any heroic measures to wipe out agricultural indebtedness. Rs. 20 lakhs had by now been remitted and land revenue to the extent of Rs. 16 lakhs had been suspended. Concluding, the Finance Member was confident, that, if they kept their

heads above water for some time more, better times would dawn. The Council then adjourned.

VOTING ON BUDGET DEMANDS

28th. FEBRUARY:—Voting on Budget grants commenced to-day. The Minister for Agriculture (transferred) moved a demand for Rs. 8,36,450, but after effecting cuts in this sum to the amount of Rs. 101, the rest of this demand was carried by the House. The next demand under head Veterinary charges for Rs. 3,73,900 moved by the same Minister was after some discussion carried. Moving a token cut of rupee one under the head Agriculture, Mr. Rahiman, Member from Berar, suggested the abolition of the Agricultural College which he thought was a waste of money and instead, he advised that more money should be spent on popularising agricultural education in primary and secondary schools.

Mr. McNee, Director of Public Instruction, replying stated that the introduction of agricultural education in all schools was not possible as every such institution needed farms for practical lessons which was not always possible in cities. He, however, informed the House that from 1936 onwards the Board High Schools would be introducing agriculture as an optional subject in school-leaving certificate examination.

2nd. MARCH:—The policy of the Government in the matter of co-operative credit was subjected to severe criticism in the Council to-day, when discussion on the token cut of Mr. M. P. Kolhe was resumed. Several members alleged that the edifice of the co-operative movement was crumbling and urged that the same should be pulled down. Mr. R. N. Banerjee, Revenue Secretary, in defending the issue of coercive processes, submitted that without these, the movement would suffer heavily. He added that coercive processes were resorted to only in extreme cases where debts appeared to be irredeemable. Mr. V. D. Kolhe (Bhandara), wanted that both non-officials and officials should evolve a policy to meet the situation, which was admittedly serious. Naik D. Y. Rajurker, who supported the cut, said that Government should have advanced sufficient loan to the provincial bank and stopped sales of lands of debtors.

The Hon. Minister, Mr. Choubal, regretted the absence of any practical suggestions from members. The Government, he said, has a definite policy of eliminating indebted members from societies and starting new societies on new lines. Fresh financing of short-term loans, conserving of resources of banks, establishment of Land-Mortgage banks, and reduction in the rate of interest are some of the measures which Government is taking. Proceeding, Mr. Choubal said, that if the movement had not come up to their expectation, it was not the fault of Government. If the edifice of the whole movement were to be pulled down as suggested by some members, it would only aggravate the issue and not minimise the difficulties of agriculturists. If the movement is to be altogether liquidated it cannot be restarted until after a generation. Mr. Kolhe pressed his cut to a division which resulted in a tie 32 voting for and 32 against it and with the President's casting vote going against, it was lost.

Mr. S. M. Rahiman (Akola) then moved a token cut for stressing the need for appointing a Provincial Service officer to the post of senior Deputy Registrar and complained that the post had been filled by an I.C.S. officer. Mr. N. J. Roughton (Chief Secretary) in opposing the cut said that the appointment was not within the competence of the Local Government and had been made by the Secretary of State. The cut was carried by 30 to 20 votes.

The close voting on Mr. Kolhe's token cut which sought to denounce the Ministers' policy emboldened the Opposition members who were opposed to the entire demand of Rs. 1,77,999 and pressed it to a division. The demand was to their surprise carried by 31 votes to 28. This was the first occasion on which the entire demand for any grant was pressed to a division. The discussion on demands under Industries (transferred) was proceeding when the Council adjourned.

3rd. MARCH:—An attempt of the Opposition members to subvert the Ministry proved abortive to-day when a token cut tabled by Mr. Thakur Umed Singh, seeking to censure the policy of the Minister in charge of Public Works Department, was defeated by 35 votes to 28. Mr. Umed Singh, in moving the cut, criticised the policy of retransferring of works from local bodies to the Public Works Department. He was supported by six members.

The hon. Mr. Choubal, Minister, in opposing the cut, said he was pursuing the policy laid down by the Government, viz., of placing arterial roads of great public importance under the control of the Public Works Department. The Government had decided to appoint a committee to review the progress made by District Councils in order to arrive at a final decision.

The hon. Mr. E. Gordon, Mr. Hyde, Chief Engineer, Dr. P. Deshmukh and Mr. S. M. Rahiman favoured the appointment of a committee. Mrs. Ramabai Tambe wanted a time limit to be imposed so that the report of the committee might be available before the Council was dissolved. The Minister promised to consider the suggestion. The cut, when pressed to a division, was lost as stated above.

DEFEAT OF MINISTRY

5th. MARCH :—The Ministry was defeated at to-day's sitting of the Council. Nationalists and Democrats succeeded in throwing out the entire demand of Rs. 6,31,998 under the head "Miscellaneous" (transferred) by 84 votes to 33.

Regarding the Ministerial crisis lobby talks indicated that dissensions had been for some time past found in the Coalition Party, which formed the present Ministry in August of last year. For the last three days a trial of strength had been going on amongst the various groups in the Council and various combinations and coalitions had been in the air, the most significant was the one that was proposed to be formed between the Kedar (Leader, Coalition Party) Group and the Nationalist Party (Opposition). When the Council assembled to-day, this disruption and lack of discipline in the Coalition Party to get rid of the Minister, Mr. Choubal, was manifest.

A cut motion against Mr. Choubal's department, moved by a Muslim member, was defeated by only one vote, although the Muslim members of the Coalition Party voted in favour of the cut. This voting demoralised the Coalition Party completely. Mr. Choubal's friends of the Coalition Party, on the other hand, voted in carrying two cut motions and ultimately throwing out the entire demand under "Miscellaneous" (Transferred) in charge of the senior Minister, Mr. Shareef. The result was taken as a vote of no-confidence in the Ministry.

6th. MARCH :—The Council met to-day in a tense atmosphere as it was expected that the Ministers would resign. The hopes of the Opposition were belied as the Ministers retained their seats characterising yesterday's defeat as due to snap voting. The House then discussed a token cut of Re. 1 tabled by Mr. Panjabrao Deshmukh under Land Revenue (Reserved) to bring forward the question of the employment of backward class candidates who should be given preference over candidates of other communities if they possessed the minimum qualifications to hold any post. Being educationally backward such candidates were not in a position to compete with the candidates belonging to advanced communities. Mr. MacNee, Education Secretary, repudiated the insinuation made in the course of the debate that the advanced classes had better educational facilities than the backward ones.

Mr. N. J. Roughton, Chief Secretary, expressed Government's sympathy in the matter under discussion and added that the policy laid down by the Council in 1931 was being followed by the Government. That policy was of regulating the appointments in such a way that while the efficiency is not sacrificed the requisite proportion of representation may as early as possible be attained within a reasonable period. The cut, when pressed to a division, was carried by 30 votes to 24.

There was a prolonged debate over Mr. Panjabrao's token cut pleading for the remission of land revenue in the fields affected by hailstorm in Amraoti District, but the same was withdrawn after Govt's assurance that everything possible will be done to minimise the cultivator's distress on representation in proper quarters.

The plea that the Government should effect a reduction varying from 20 to 10 per cent in the salaries of Government servants as a measure of national emergency was next made by Dr. Panjab Rao Deshmukh in moving a token cut. Alluding to the national emergency the speaker said that this was obvious from the fact that nation-building departments were starving for want of funds.

Mr. N. J. Roughton, the Chief Secretary, in opposing the cut, said that the Superior Services had already suffered and were still suffering by way of retrenchment and salary cut. As regards the Provincial Services rules relating thereto could not be changed without the sanction of the Secretary of State and the India Government and the revised scale was already in force for new entrants. The Subordinate Services were meagrely paid and it will be indiscreet to further reduce their low salaries. The motion was carried without a division.

Two more cuts, one by *Seth Thakurdas* urging a general reduction in land revenue on account of general depression and the other by Mr. *Kolhe* stressing the need for the remission of the enhanced land revenue in the revision settlement in Berar, were carried without a division.

The entire demand of Rs. 18,31,411 under "Land Revenue" was then carried.

7th. MARCH :—By thirty-three votes to thirty-one the Council rejected a cut of Rs. 19,000 moved by Mr. *Khaparde*, leader of the Nationalists, characterising Government's policy in giving rewards to excise officials for detecting crimes as bad. Messrs. *V. B. Choubal* (Minister), *C. D. Deshmukh*, Finance Secretary and *N. J. Roughton*, Chief Secretary, defending Government's policy, stated that such rewards acted as encouragement to officials detecting crimes. The motion was lost.

Mr. *Jhanilal Verma* next moved a cut of Rs. 10,000 to reduce the number of district excise officers and curtail the rewards to the officials and discuss the excise policy in general. Mr. Verma made it clear that it was not a censure motion on Minister, but felt that in view of the declared policy of the Council of complete Prohibition by stages, there was no need to keep such a staff. He also urged that complete Prohibition should be introduced in Saugor and Narsinghpur districts where conditions for such a step were ideal.

Mr. *Choubal* (Excise Minister) said that Prohibition could not be introduced against the wishes of the people and, unless social conditions were ripe, forcing the pace of Prohibition would, he was afraid, lead to several evil consequences, such as, an increase in the illicit distillation and breakdown of control. He also asked the members to consider the fact that a reduction in the prices of country liquor had not an appreciable effect on the illicit distillation.

The goal could be reached by (1) sale of liquor in a fixed quantity (2) reduction in number of shops, (3) curtailment in the hours of sale, and (4) the closing of liquor shops on festival days. The Government had budgeted the excise revenue at 59.82 lakhs as against the actuals for 1933-34 of 58 lakhs. Prior to the adoption of the policy of Prohibition by stages, Excise revenue stood at Rs. 156 lakhs. He deplored that while Government was straining every nerve to achieve the goal, no educative propaganda was undertaken by non-officials except in isolated places. In regard to illicit distillation, the Minister pointed out that the situation was grave in civilised districts as in the jungle districts. Within twelve years, the greatest social experiment of modern times had proved a failure in America.

Concluding Mr. Choubal asked the House to consider whether a new orientation of policy was called and opposed the cut, which was ultimately withdrawn. The whole of the demand under "Excise" was next put to the House and carried.

Demands under "Stamps" (Reserved), "Registration" (Transferred), Irrigation Works charged to the revenue (Reserved), and Public Works Establishment (Transferred) were carried without much discussion. Neither Mr. *Kolhe*, who moved a token cut of one rupee urging the abolition of the posts of Commissioners nor Mr. *Gordon*, the Finance Member, who opposed it, took the subject seriously. Mr. Kolhe stated that this question was their hardy annual and the Finance Member's speech explaining that the proposal had not met with the approval of the Secretary of State was brief. The rejection of the cut by 16 votes to 29 caused no small amount of surprise as similar cuts have been carried in the past.

8th. MARCH :—With the tabling of the "no-confidence" motions against Ministers, members lost all interests in the budget discussion, so much so that when the Council reassembled there was no quorum for a while. Mr. *R. W. Fulay's* token cut recommending that a High Court should be established in these Provinces simultaneously with the introduction of new reforms in the Province was carried without division.

Mr. *Raghavendra Rao*, Home Member, said the proposal was under active consideration of the Government but he was afraid that the proposal involved extra expenditure and wanted to know the views of the House on the subject. Government's view was that the general taxpayer should not be made to pay for the litigant. The solution was obviously in the direction of amending the Court Fees Act so as to ensure the extra expenditure required. Mr. *B. G. Khaparde* and *Rao Bahadur Dadu Dwarkanath Singh* opposed the motion on the ground of financial stringency, while Mr. *T. J. Kedar* and Mr. *C. B. Parakh* supported the proposal.

Lala Jainarayan (Nagpur-Kamptee) next moved a token cut protesting against

the policy of the Government in not giving effect to the Council's resolution recommending half-pension to the Government servants. The cut was carried.

The guillotine fell at five in the afternoon as the demand under "General Administration" (Reserved) was under discussion. When the demand under "Medcial" (Transferred) was placed before the House by Mr. Shareef, the Minister, Rao Bahadur Nayudu stood up and announced his intention of proposing to throw out the entire demand since Ministers had not vacated their seats on the demand under "Miscellaneous" (Transferred) being thrown out by the Council.

Mr. Parakh objected to Rao Bahadur Nayudu's speech after the guillotine had been applied. The President allowed the Rao Bahadur to make a statement, remarking that it did not constitute a speech. On a division being challenged 32 members raised their hands to support the demand while 31 opposed it.

The President stated that since it was a close tie he was willing to allow members to record their votes in the lobbies. But the Opposition abstained from claiming a division. Ultimately the motion ended in a victory for the Minister.

The whole of the budget having been passed the Council adjourned.

OFFICIAL BILLS

9th. MARCH:—The House proceeded to discuss official legislative business to-day. The Hon. Mr. Raghavendra Rao, Member in charge of Law and Justice, presented the report of the Select Committee on *Usurious Loans (C. P.) Amendment Bill*, which was passed into law, *Seth Sheola's* three amendments thereto having been rejected. This bill was introduced in the January session.

The Hon. Mr. E. Gordon's C. P. Tobacco Taxation Bill, 1933, was next circulated for eliciting public opinion thereon.

Mr. Parakh's adjournment motion was next carried without a division. Mr. Parakh said that he thought that the Excise Duty on sugar and matches manufactured in India would be a great blow to indigenous industry.

On behalf of the Government the Home Member stated that so far as the Central Provinces were concerned the duty would not have much effect: firstly, because there were only one sugar factory and one match factory in the whole province; and, secondly, the latter factory did not come under the category of match factories which were obliged to pay excise duty. He, however, promised to send a copy of the debate to the Government of India.

NO-CONFIDENCE IN MINISTERS

The "no confidence" motion tabled by Mr. K. Pande and others next came up for discussion. Moving the no-confidence motion, Mr. K. P. Pande said that, ever since the beginning of the session, cuts after cuts were passed by the Council against the Minister Mr. M. Y. Shareef, and when such was the case they did not claim a division. It was only the casting vote of the President that came to the rescue of the Ministry on the demand under the co-operative credit and throwing away of the entire demand under "Miscellaneous" (Transferred) should have made the Ministers realise that they did not command the confidence of the House and resigned. The analysis of voting showed that out of 34 that voted against 31 were elected, while only twenty elected members voted for it. The remaining twelve votes in favour of the demand came from nominated officials. According to the report of the Joint Parliamentary Committee Ministers ought to resign the moment they cease to command the confidence of the majority of the elected members. It was unfortunate that, in spite of its losing the support, the Ministry would not get out. It appeared that the Ministry was being maintained by the Government in defiance of popular wishes.

Referring to the Ministerial contention that it was a snap voting Mr. Pande stated that, out of the 68 members present in the house, 66 voted and it was wrong to characterise such voting as a snap one. The policy of the Ministers, he proceeded, had been such as not to deserve the sympathy of the House and it was evident that the Ministry was being kept in office against the principles of democracy.

Mr. D. T. Mangalmoorti, opposing the no-confidence motion, said that no substantial reason had been advanced in support of the motion. He felt that the President's ruling given earlier cut both ways and equally applied to the demand rejected by the House and could not, in any way, be construed as a censure against the Minister.

Rao Bahadur Nayudu, Leader of the Democrats, said it was an indisputable fact that the House had passed censure against the Minister. When supplies were not voted it meant that the House had no confidence in the Minister.

Mrs. Ramabai Tambe said she was prepared to keep an open mind while voting only if the Minister made a statement in respect of the circular about Rashtriya Sangh explaining his position in the matter.

Mr. Khaparde, Nationalist Leader, said they had not thrown out the major demands under Transferred heads with a view not to embarrass the Government. The Opposition had been accused of hitting below the belt but Mr. Khaparde repudiated it. He was amazed that the Ministerial Party boasted that the Ministry was in office with the help of officials.

Mr. Parakh said the constitutional position was that the Ministers need not resign because token cuts were carried and quoted the history of the first Labour Government in England in 1924 when similar token cuts were carried but the Government did not resign.

Hon. Mr. Shareef, the Minister, said, in regard to Mrs. Ramabai Tambe's query, that the views expressed in the House would be placed before the Government and the circular issued by the Local Self-Government will be considered in all its aspects. It was, indeed, regrettable that the token cut tabled under the Local Self-Government demand did not come in for discussion, with the result that the Minister never got an opportunity of stating his case. Mr. Shareef added that in the first place the circular was merely advisory in character and the Government had not come to any decision in regard to the penal action to be taken if any local body refused to pay heed to its advice. He further pointed out that the Local Self-Government Department circular went further than the original circular of 1932 in that it applied to all communal organisations (not merely Rashtriya Sangh) and included Tanjat Tablique and other communal organisations. The primary object of the circular was that servants of local bodies should avoid creating an impression that they belonged to any particular organisation as they depended for their salaries on the general tax-payers' money.

Mr. Kedar (Ministerialist) said that there was only one issue involved in the motion and that was untenable and unsound in constitutional law. Eight cuts were carried against the Jaiswal-Deshmukh Ministry in 1933 and two in 1937 but the Ministers did not resign. Mr. Kedar failed to see what sins the present Ministry had committed. The Ministers had no desire to stick to their posts if the House passed a considered verdict against them. If the Opposition were serious they should have thrown out major demands and the House would then not have been taken by surprise, as was done in the case of the "Miscellaneous" demand. This action of the Opposition constituted what they called hitting below the belt.

When the censure motion was put to the House, the President declared it carried judging by the ayes. On a division being claimed by the Minister, Mr. Shareef, the President asked the members to go to the lobby.

On votes being taken as 34 for and 34 against, the President gave his casting vote against the motion which was thus lost. The President, while giving his casting vote against the no-confidence motion, said that his position was rather delicate. According to convention in Legislatures all over the civilised world the Chair should not precipitate a crisis. He added that the question was also decided to the same effect in the Conference of Presidents and Deputy Presidents of Indian Legislatures held some time back.

Mr. Pande withdrew his motion against Mr. Choubal, but a similar motion was moved by Mr. Khaparde, the Nationalist Leader, which, when pressed to a division, was carried by 35 votes to 34. The Council was then adjourned *sine die*.

It transpired that when the voting on the motion against Minister Choubal took place, Mr. Shareef, another Minister, failed to record his vote against the motion, apparently due to excitement in the lobbies. Had the Minister voted there would again have been a tie of 35 on each side. This was discovered when the division list was scrutinised by the members.

The defeat of Mr. Choubal in the Council is attributed to the last minute 'volte face' on the part of a nominated member who abstained from voting against Mr. Shareef but who recorded his vote against Mr. Choubal. But for this the Minister would have survived the onslaught, though, as the President pointed out in voting with them, their position was not a happy one.

THE ASSAM LEGISLATIVE COUNCIL

LIST OF MEMBERS

President

THE HON'BLE MAULAVI FAIZNUR ALI

Ex-officio Members

THE HON'BLE MR. A. J. LAINE

THE HON'BLE RAI BAHADUR PROMODE CHANDRA DUTTA

Nominated Members—Officials

1 MR. J. A. DAWSON

2 MR. B. F. TAYLOR

3 MR. S. P. DESAI

4 MR. H. G. DENNEBY

5 MR. G. A. SMALL

Non-officials

6 SREEJUKTA ATUL KRISHNA BHATTACHARYA

7 SRIJUT MAHENDRA LAL DAS

8 KHAN SAHIB MAULAVI MUHAMMAD MASHARAF

9 RAI SAHIB PYARI MOHAN DAS

10 REV. TANURAM SAIKIA

11 SUBADAR-MAJOR SARDAR BAHADUR JANGBIR LAMA

12 KHAN BAHADUR MAULAVI KERAMAT ALI

Elected Members

13 THE REVEREND JAMES JOY MOHAN NICHOLS-ROY

14 BABU SANAT KUMAR DAS

15 BABU HIRENDRA CHANDRA CHAKRABARTI

16 BABU BIRENDRA LAL DAS

17 BABU KALICHARAN MUCHI

18 BABU GOPENDROLAL DAS CHAUDHURY

19 BABU JITENDRA KUMAR PAL CHAUDHURI

20 BABU CHIRATAN MUCHI

21 MR. SASANKA MOHON DAS

22 KUMAR PRAMATHESH CHANDRA BARUA

23 SRIJUT BEPIN CHANDRA GHOSH

24 SRIJUT ROHINI KUMAR CHAUDHURI

25 RAI BAHADUR RAJANI KANTA CHAUDHURY

26 RAI SAHIB DALIM CHANDRA BORA

27 KUMAR BHUPENDRA NARAIN DEB

28 SRIJUT BRINDABAN CHANDRA GOSWAMI

29 SRIJUT JOGENDRA NATH GOHAIN

30 SRIJUT KASINATH SAIKIA

31 SRIJUT MAHENDRA NATH GOHAIN

32 RAI BAHADUR NILAMBAR DATTA

33 SRIJUT SARVESWAR BARUA

34 HAJI IDRIS ALI BARLASKAR

35 THE HON'BLE MAULAVI ABDUL HAMID (*Minister*)

36 MAULAVI ABDUR RASHID CHAUDHURY

37 MAULAVI MUNAWWARALI

38 MAULAVI ABDUR RAHIM CHAUDHURY

39 MAULAVI SATYID ABDUL MANNAN

40 MAULAVI ABDUL KHALIQUE

41 KHAN SAHIB MAULAVI MAHMUD ALI

42 MAULAVI ABDUL MAZID ZIAOHS-HAMS

43 KHAN SAHIB MAULAVI MIZANAR RAHMAN

44 KHAN BAHADUR MAULAVI NUR-UDDIN AHMED

45 THE HON'BLE MAULAVI FAIZNUR ALI

46 MR. C. E. H. HINDLEY

47 MR. A. J. RICHARDSON

48 MR. L. A. ROFFEY

49 MR. F. J. HEATHCOTE

50 MR. H. EMBLEN

51 THE HON'BLE RAI BAHADUR KANAK LAL BARUA (*Minister*)

Proceedings of the Council

BUDGET SESSION—SHILLONG—5th. to 22nd. MARCH 1934

GOVERNOR'S OPENING SPEECH

The Budget session of the Assam Legislative Council was opened by H. E. Sir Michael Keane, the Governor at Shillong on the 5th. March, 1934. Opening the session His Excellency expressed, on behalf of himself and Assam, sympathy with the people of Bihar in their great sorrow and hoped that the people of this province, who themselves understood sufferings from such calamities, would contribute their mite to alleviate the miseries of their fellow countrymen. His Excellency expressed disappointment over Assam's financial position. Since 1929 Assam had been struggling against odds. This year would close with a deficit of forty lakhs. Assam depended on agriculture. Hopes of the revival of agricultural prices, which were the root of all the trouble had not materialised. Times were importune for a fresh direct taxation. Assam had unsuccessfully fought to get a share of its contribution in the excise duties on oil and kerosene, which represented a sum total to more than half its total revenue. His Excellency added that Assam's financial position was realised by all. Sir George Schuster, in his budget speech, stated frankly that the Government of India were prepared to recognise its special claim to assistance.

On the subject of terrorism, His Excellency said that a year ago he told the Council that he hoped that Assam would remain free from lawless movements and he did not propose to bring before the Council any special legislation for exceptional powers, but should they be needed, he was sure he could count on the Council's co-operation. He regretted that the tide of terrorism from Bengal showed signs of overflowing Assam's border. Already revolutionary branches had been established. Political dacoits for money and arms were increasing. Revolutionary propagandists were busy trying to win recruits among impressionable Hindu youths of the Surma Valley.

His Excellency referred to the remark of the Finance Member of the Bengal Government, that in a very brief period terrorists had cost the province nearly two crores. He did not want that things should come to such a pass in Assam. The police budget for the coming year had already been increased by half a lakh. His Excellency observed that the time had come when the need for protective legislation in Assam, both to round off the measures taken in Bengal and for its own protection, must be seriously considered and for all such necessary measures he looked to the Council for understanding and support. It was a common reproach, said His Excellency, that the public men in India, while disapproving in the abstract of revolutionary crimes, were not prepared to translate their disapproval into practical action. That reproach he wanted the Council to remove.

In regard to the report of the Assam Opium Enquiry Committee, which the Council would discuss this session, His Excellency stated the policy underlying its appointment. He thanked the Members of the Committee for their careful enquiry and said that the Government were awaiting the Council's views before coming to final conclusions. He reiterated the assurance, which the Committee appreciated in its report, that in considering the future opium policy the question of opium revenue should be left out of account, but that did not mean that the provision of a corresponding amount of revenue could be left out of account and it was time that the Council seriously considered plans for adjustment of the finances of Assam to the eventual loss of opium revenue.

ASSAM MONEY-LENDER'S BILL

6th. MARCH:—After question time, practically the whole day was devoted to official business. The *Assam Money-lender's Bill* was referred to a Select Committee.

ASSAM MUNICIPAL ACT AMEND. BILL

The non-official Bill of *Maulvi Abdul Khalique Chaudhury*, seeking to amend the *Assam Municipal Act* was defeated by 31 votes against 13. The Council then adjourned.

DISCUSSION OF BUDGET

7th. MARCH:—The Council to-day confined itself to the discussion of the budget. Mr. E. S. Roffey said that Assam could not impose any further taxation

and had retrenched to the utmost extent. He congratulated the Chief Engineer on the excellent work of the Public Works Department.

Rai Bahadur Nilambar Datta laid stress on the necessity of more money being given to the Berry White Medical School at Dibrugarh. He criticised the Additional Sessions Judge and the Assistant Sessions Judge for not doing a full day's work at Dibrugarh, as a result of which there were over 70 under-trial prisoners in the Dibrugarh jail. He associated himself with Mr. Roffey in hoping that the tenancy legislation would exclude tea garden tenants.

Babu Rohini Kumar Chaudhury paid a tribute to the "admirable work" of Sir Shadulla, Finance Member, and regretted that he was leaving the province. He said that in view of the economic condition of the Province, the relief of annas three in the rupee maintained by the Government was not sufficient. He said that the Assamese were a dying race and resented the people domiciled in Assam being given equal treatment with the indigenous Assamese. He laid a pointed stress on the extensions given to the present Council, and wanted to know if there was any real intention of giving the new constitution to the province, or whether the life of the present Council, which was for three years and which had already been in sessions for five years would be extended from year to year. He wanted a new election irrespective of the short length of its life, and if that were done most of the people, who had refrained from coming into the Council, might be willing to come in and try to work the Constitution even on the old lines. He appreciated the action of the Assam Oil Company and the European owned gardens in promising to take in Assamese in their vacancies, and hoped that they were in earnest about the matter.

NON-OFFICIAL RESOLUTIONS

9th. MARCH :—After question time to-day non-official business was taken up. The resolution of Babu Brindaban Chandra Goswami, asking for a conference consisting of officials and non-officials to review the present system of education, was carried with the modification that members were to pay their own travelling expenses. The Council then adjourned.

10th. MARCH :—Mr. Brindaban Chandra Goswami moved a resolution for holding a conference of officials and non-officials at an early date at Gauhati for reviewing the system of education in the province. It was carried.

Rai Bahadur Nagendra Nath Chowdhury moved a resolution fixing a scale of pay for the employees of the aided schools in Assam. The Hon'ble *Moulavi Abdul Hamid*, Minister, opposed the resolution which was then withdrawn.

A similar resolution of Khan Bahadar Keramat Ali was passed which provided for improvement of pay and prospects of teachers of the aided schools.

ASSAM CR. LAW AMEND. BILL

12th. MARCH :—The Assam Criminal Law Amendment Bill, 1934, was introduced in the Council to-day by the *Law Member*. The Bill was meant to supplement the ordinary law in Assam by legislation on the lines of the Bengal Criminal Law Amendment Acts and was intended to be used only against persons believed to be members of secret terrorist organisations. The statement of objects and reasons of the Bill said that the Assam Government had been aware since 1928 of the existence of a section of the Bengal revolutionary party in certain districts of Assam, but it had been keeping a careful watch on the activities of these men. The pressure exercised on the revolutionaries by the authorities in Bengal had the effect of driving a number of them over the border into Assam and there had been for some time past indications of the revolutionaries having been contemplating outrages in Assam and there was good reason to believe that a number of serious crimes which recently occurred in Assam were the work of revolutionary party.

The statement added that it was clear that the whole movement, both in Assam and Bengal, was one and the same movement and sprang from the same origin in Bengal and unless there was co-operation between the two provinces not only would there be a danger of terrorism spreading in but measures taken by the authorities in Bengal would remain incomplete. Persons arrested for offences under the provisions of the Bill would be tried by a special tribunal appointed by the local Government who would authorise it to pass sentences of death and transportation for life, and in the case of a death sentence the tribunal's order would be submitted to the High Court of Calcutta for confirmation.

The Bill also provided an appeal to the same High Court against conviction and sentence by the Commissioners. Under the provisions of the Bill the local Government was authorised to make rules for restriction of the movements of suspected persons, a breach of which would be punishable with imprisonment extending to seven years as well as a fine. Government was also authorised to prohibit the publication in a newspaper, book or other document of any class of information tending to create an atmosphere favourable to gaining adherents for the terrorist movement as also the publication of the name, designation, signs or visible representations for disclosing the identity of a witness in a trial by the Commissioners.

When *Sir Mahomed Saadulla* introduced the Bill an objection was raised against reference to the Itakhola Mail Dacoity Case in the statement of objects and reasons as the case was subjudice. The *President* ruled that no members would refer to the case during discussion.

VOTING ON BUDGET DEMANDS

The House then took up voting on Budget demands. The Hon'ble Mr. *Laine*, Revenue Member moved for grant of Rs. 17,08,600 under the head Land Revenue.

Mr. *Sarveswar Barua* moved a cut motion to the discussion of the reduction of existing rates of grazing tax. The motion was carried by 18 to 17 votes.

Mr. *Saikia's* censure motion to raise discussion on the methods applied in realizing land revenue and Sj. *Rohini Chowdhury's* cut motion on the present position of remuneration of Manzadars and his motion on the grant of temporary reduction in Niskhi Raj Estates were also carried.

The Government also sustained several other defeats. Mr. *Saikia's* censure motion about general filthiness in 3rd and Inter-class railway compartments and lavatories were carried. The revenue member accepted *Maulvi Abdul Khaleque Chowdhury's* censure motion about inadequate representation on the Advisory Board of the A. B. Railway. *Maulvi Munnawar Ali's* censure motion about waiting rooms in the Sylhet railway station was carried by 21 to 10 votes. The Hon'ble *Abdul Hamid* and the Hon. Mr. K. L. Barua, Ministers voted against the motion.

ASSAM MONEY-LENDER'S BILL (CONT'D.)

The Assam Money-Lender's Bill emerged out of the Select Committee. Provisions about registration of names of money-lenders and appointment of Inspectors for inspection of money-lender's accounts were deleted.

13th. MARCH :—All the cut motions were defeated and demands for grants were voted in toto. Mr. *Brindaban Chandra Goswami's* motion for reduction of Ministers' salary to Rs. 2,500 a month was lost by 26 votes against 18, although the planting group voted in favour of reduction. The Council then adjourned.

14th. MARCH :—The Council to-day devoted the whole of the day to a consideration of the Budget demands, all of which were carried. In the afternoon members of the Council attended a garden party at the Government House.

15th. MARCH :—At to-day's sitting the Government suffered several defeats when more than one cut motion urging imposition of flat rate fees in the Habiganj High School was carried.

Mr. *Brindaban Goswami's* cut motion protesting against insufficient grants to local bodies for primary education was also carried.

The Government also suffered defeat on the cut motion of *Khan Bahadur Keramat Ali* who complained of lukewarmness on the part of the Government in spreading female education. The motion was carried by 29 votes to nil. There was no discussion when the Government agreed for the grant of Rs. one lakh for electric installations in the Government buildings at Sylhet and when Mr. *Jogendra Nath Gosain* moved his cut motion.

16th. MARCH :—Out of 15 cut motions, Rev. J. J. M. *Nichols Roy's* motion censuring the Government for bringing in outsiders as Superintendent and Assistant Superintendent of the Shillong Government Press was carried and also the motion of Mr. *Munnawar Ali* condemning the action of the Government in raising the commission fee for registration.

Demands for stationery and printing, miscellaneous (reserved) extraordinary charges, excise and registration were voted. The Council then adjourned.

17th. MARCH :—After question time the Council devoted the day to demands for grants. Out of 21 cut motions not even one was carried. There was a hot debate on the question of retaining the post of the Dairy Expert, and the majority thought that the post was absolutely necessary as the province was agricultural one. The question of printing forms in Calcutta was discussed and it was decided that it was cheaper to get work done there.

The Council then voted grants for Agriculture, Veterinary and Co-operative Departments, Miscellaneous Departments (transferred), Stationery and printing (transferred), expenditure in England and refunds. The House then adjourned.

ASSAM CR. LAW AMEND. BILL (CONT'D.)

19th. MARCH :—*Sir Mahomed Sadulla*, Judicial Member, moved to-day for consideration of the Assam Criminal Law Amendment Bill. He stated that the revolutionary movement was in existence in Assam since 1925. He enumerated more than a dozen instances of mail dacoities and armed robberies and that in 1929 it was suspected that the Sylhet treasury would be looted. He further said that about hundred fire-arms had been stolen. All Government members, including the Ministers, supported the Bill. Mr. *Jogendra Gohain's* motion for circulation of the Bill for eliciting public opinion was lost by 33 to 14 votes.

NON-OFFICIAL RESOLUTIONS

20th. MARCH :—The Council devoted the whole of to-day to non-official business. Mr. *Jogendranath Gohain's* resolution recommending the appointment of a small committee to consider, change and modify the present system of education in order to satisfy the present needs and meet the aspirations of the province and the children of the soil was defeated by 15 votes to 12.

Mr. *Rohini Kumar Chaudhury's* resolution recommending temporary reduction of land revenue by 50 per cent, in view of the present economic distress was carried as also the resolution of Mr. *Kashinath Saikia* for continuing the grant to the Assam Sahitya Sabha which was doing very useful work in connection with the propagation of the Assamese language.

The resolution of Babu *Birendralal Das* recommending that all appointments to the Assam Civil Service in future be by promotion from the Junior Assam Civil Service and that direct appointment should only be made to the junior service was withdrawn on Mr. *Dawson*, Chief Secretary, pointing out its impracticability and on his assurance that promotions in some cases were already being given. The Council then adjourned.

ASSAM CR. LAW AMEND. BILL (CONT'D.)

21st. MARCH :—The Council devoted the whole of the day to discussing the Assam Criminal Law Amendment Bill. The clause for death penalty in the case of abettors was omitted and the amendment giving accused the facility of being defended by pleaders was carried.

22nd. MARCH :—The Council to-day passed the Assam Criminal Law Amendment Bill, 1934, into law. The Bill, which is framed more or less on the lines of the recently enacted Bengal measure, is intended to be used only against those who are believed to be members of secret terrorist organisations, and its introduction was found necessary in view of the existence of a section of the Bengal revolutionary party in certain districts of the province of Assam. Those arrested for offences under the provisions of the Bill will be tried by Special Tribunals appointed by the local Government and would be liable to sentences of death or transportation for life.

Following the passage of the Bill, the President congratulated the House on the high level of the debate and said that, although those who were opposed to the enactment of the measure fought every inch of it, there had been no bitterness of feeling. There were 27 amendments and the House divided as many as fourteen times in the course of the debate.

ASSAM MONEY-LENDER'S BILL (CONT'D.)

The Assam Money-lender's Bill was also passed into law. The report of the Assam Opium Enquiry Committee was then taken up and the motion of Mr. *Kashinath Saikia* that opium registers should not be reopened was carried.

The Council was then prorogued.

THE BURMA LEGISLATIVE COUNCIL

LIST OF MEMBERS

- | | |
|-----------------------------|---|
| 1 U SAN SHWE BA | 45 U BA CHAW |
| 2 U KUN | 46 U PO THEIN |
| 3 U PO YIN | 47 U KYI MYINT |
| 4 U BA SHWE | 48 U KYA GAING |
| 5 U MAUNG MAUNG GYI | 49 U MYAT THA DUN |
| 6 U BA THAN | 50 U LU PE |
| 7 U CHIT HLAING | 51 U SEIN WIN |
| 8 DAW HNIN MYA | 52 U THU TA |
| 9 U BA THAN | 53 U MIN OH |
| 10 MR. L. CHOON FOUNG | 54 MR. L. C. KHOO |
| 11 MR. H. C. KHOO | 55 U MAUNG GYI |
| 12 RAI BAHADUR R. K. GHOSH | 56 C P U KHIN MAUNG |
| 13 MR. B. N. DAS | 57 U OHN MAUNG |
| 14 MR. GANGA SINGH | 58 U SAN LU |
| 15 MR. TILLA MAHOMED KHAN | 59 U BA TIN |
| 16 MR. A M. A. KAREEM GANNI | 60 U BA |
| 17 U TUN BAW | 61 U BA THAW |
| 18 SRA SHWE BA | 62 DR. BA MAW |
| 19 U SHWE NYUN | 63 U PO YIN |
| 20 SAW PE THA | 64 U PO LIN |
| 21 LU GYI | 65 MR. CHAN CHOR KHINE |
| 22 U BA THEIN | 66 U TUN PE |
| 23 U SHWE THA | 67 U TUN AUNG |
| 24 U PHO KHINE | 68 MR. M. M. RAFI |
| 25 U PO MYA | 69 MR. S. A. S. TYABJI |
| 26 RAMRI U MAUNG MAUNG | 70 KHAN BAHADUR WALI MAHOMED |
| 27 U THIN MAUNG | 71 U SO NYUN |
| 28 U TUN LIN | 72 SIR JOSEPH AUGUSTUS MAUNG
GYI |
| 29 U KYAW DIN | 73 U MAUNG GYEE |
| 30 DR. BA YIN | 74 MR. C. H. CAMPAGNAC |
| 31 U PAW U | 75 SIR OSCAR DE GLANVILLE
<i>(President)</i> |
| 32 U BA YI | 76 MR. R. T. STONEHAM |
| 33 U BA TIN | 77 MR. W. J. C. RICHARDS |
| 34 U NYUN | 78 U BA GLAY |
| 35 U KYAW DUN | 79 MR. W. C. PENN |
| 36 U BA SAW | 80 KHAN BAHADUR AHMED CHAN-
DOO |
| 37 U TUN MIN | 81 MR. J. A. CHERRY |
| 38 U PE MAUNG | 82 A. EGGER |
| 39 U BA THAUNG | 83 DR. N. N. PARAKH |
| 40 U MYA | 84 MR. D. VENKATASWAMY |
| 41 U PU | 85 MR. A. M. M. VELLAYAN |
| 42 U THA GYAW | |
| 43 U THI | |
| 44 U NI | |

Proceedings of the Council

BUDGET SESSION—RANGOON—15th. FEBRUARY TO 8th. MARCH 1934

FINANCIAL STATEMENT FOR 1934-35

The budget session of the Burma Legislative Council commenced at Rangoon on the 15th. February 1934.

After swearing-in and interpellations, Mr. C. P. Khin Maung of U. Chit Hlaing's party moved for permission to introduce a motion of no-confidence in the Ministry. More than the requisite number having stood up, the President fixed February 20 for the discussion of the motion. All the three main parties, U. Chit Hlaing's party and Dr. Ba Maw's party were in favour.

The Finance Member, Mr. T. Couper, then introduced the budget. The receipts for 1933 were originally estimated at Rs. 9,80,03,000 and the disbursements at Rs. 9,73,26,000; but the revised receipts were estimated at Rs. 8,64,90,000 and the revised disbursements at Rs. 9,82,73,000. This deficit will be covered by borrowing on March 31 next, Rs. 1,18,00,000 from the Provincial Loans Fund of the Government of India. Originally the revenue estimates were framed in the hope that the prices of agricultural produce would rise. On the contrary the prices have sunk to still lower depths. This compelled the Local Government to grant greater remissions of the land revenue than contemplated. These concessions accounted for the greater part of the fall in revenue, but the depression affected all heads. Further, it was also found necessary to grant remissions to payers of the land revenue and the capitation tax, as also to forest lessees and timber extractors.

On the expenditure side when the estimates were made a year ago it was supposed that the 10 per cent. cut in pay would be continued: but its reduction to 5 per cent. increased the expenditure.

Turning to the estimated receipts and disbursements for 1934-35, the Finance Member said that the receipts, including the opening balance of Rs. 80,000, would total Rs. 8,52,22,000 and the disbursements Rs. 9,37,70,000, there being a deficit of Rs. 85,48,000. The deficit would be considered later. Whatever it turned out to be it was proposed to meet it by borrowing in March 1925 from the Provincial Loans Fund. To this end an entry of Rs. 85,50,000 had been made in the estimates for 1934-35. It had not been considered safe to assume that more revenue would be collected in the coming year than could be collected in the present year. To this one substantial exception had been made, thinking that the land revenue would come in a little more quickly.

GENERAL DISCUSSION OF BUDGET

16th. FEBRUARY :—U Ba Pe, Leader of the People's Party, opened the general discussion on the budget to-day. U. Ba Pe described the Budget as one of drift. Remarking that fresh taxation was not possible and there was no possible recovery of land revenue in the near future, he urged economies in administration, his suggestion in this connection including abolition and amalgamation of different departments, a cut and revision of salaries and similar measures.

Dr. Ba Maw criticised borrowing without a constructive policy, particularly when borrowing was unproductive, as this would result in fresh taxation. He stressed that tax-payers were paying revenue from capital and not from income. He suggested the creation of an Economic Council to enquire into the taxpayer's capacity. He urged productive borrowing in order to encourage cottage industries.

Mr. S. A. S. Tyabji supported Dr. Ba Maw's suggestions.

U. Chit Hlaing warned the Government that if anything happened in the country owing to the present acute economic conditions the responsibility would be the Government's.

A few other Burmese Members proposed a reduction in the cost of administration and urged the fostering of indigenous industries.

The Finance Member, replying, justified the estimate regarding land revenue, stating that the policy of the Government was to balance the Budget. He could not subscribe to the picture depicted of the condition in the country. He said that

against the borrowings there were assets. The debt also was not large. He asked the members to wait the report of the Retrenchment Committee, of which he was still in the dark.

17th. FEBRUARY:—The Forest Minister introduced a Bill further to amend the Excise Act 1917, permitting employment of women in places where foreign liquor is sold or served.

19th. FEBRUARY:—At to-day's session of the Council the Bill moved by Mr. Ganga Singh (non-official) to further amend the City of Rangoon Municipal Act, 1922, for designating the President of the Corporation as Mayor was referred to a Select Committee for report by 22nd. February.

Nearly two hours' hot debate ensued after lunch, when U Pe Maung moved his resolution recommending to the Government, owing to financial stringency, to sanction the advance of agricultural loans to all bona fide landowners and actual cultivators in the country on security of agricultural land at the rate of Rs. 25 per acre at 6 per cent interest payable within five years.

The resolution being pressed to a division, was carried by a large majority. Several Burmese members including U Chit Hlaing spoke supporting the resolution.

NO-CONFIDENCE IN MINISTERS

20th. FEBRUARY:—At to-day's session of the Council the no-confidence motion in the present Ministry being pressed to a division was carried by 49 votes against 47.

With the full strength the Council resumed its session to-day, though several members were not present in their respective seats but were in the lobby. The Visitors' Gallery was crammed to its capacity. The President's Box was full while in the distinguished Visitors' Gallery, the Private Secretary to the Governor was present, besides Lady Ba and some other prominent persons.

U Kin Maung (U Chit Hlaing's Party) moved his motion of "no-confidence" in the present Ministry. He said that the Ministry failed to improve the agricultural conditions of the country and were out of touch with the country. He also charged the Ministry with having no policy. The speaker continuing pointed out that at the previous sessions of the Council, the Ministers almost always suffered defeat on resolutions or motions which the Opposition put up. He therefore asked what was the use of Ministers, who failed to carry the day on behalf of the Government? The Ministry had not the support of the majority of the elected members and there were many things which the Ministers could carry on in the interests of the people but they did not, their excuse being that Government would not allow them to have their own way. The Minister for Forest and Agriculture could have initiated plans to set substitutes for the rice industry, but he failed to do so. Regarding the Forest Department, there were several complaints and so in the case of Excise and Co-operative Departments. Referring to U Kyaw Din (Education Minister), U Kin Maung severely criticised his actions charging him with being a "supporter of Government policy." He pointed out that U Kyaw Din came to the Council as an anti-Separationist and through the backing of Dr. Ba Maw's Party got his present elevated position, but "we know what he is to-day."

Mr. E. P. Pillai (nominated), opposing the motion, said that he was an elected member of the last Council. Though he was a nominated members to represent Labour, yet he reserved his right to vote independently. He criticised the mover saying that U Kin Maung had not facts to show cause for the removal of the present Ministry, except "absurd allegations" against the respective Ministers. He emphasised, "My view is that the greatest stumbling block to the progress of the country is the Opposition itself". He referred to the services that Sir Joseph Maung Gyi (Forest Minister), rendered to the country and Burmans as Forest Minister, Home Member and Administration. U Kyaw Din, he emphasised, though he was a recent acquisition to the politics of Burma, yet had achieved some success, despite financial difficulties.

U Saw (Peoples' Party) supporting the motion criticised Mr. Pillai. U Saw expressed no-confidence in U Kyaw Din, stressing his disapproval of U. Kyaw Din's work at the Joint Parliamentary Committee, where he did not press for a better constitution.

U May (Ba Maw's Party) supporting the motion, said that last year he supported the present Ministry, thinking it was too premature to oppose it but now after the lapse of a year, he found that the present Ministry was "useless".

U Po Mya (Dr. Ba Maw's Party) also expressed complete lack of confidence in the present Ministry.

U Thi (Whip of Dr. Ba Maw's Party) criticising the Ministry, remarked that U Kyaw Din at the Joint Parliamentary Committee spoke not as representative of the country but as a supporter of Government. He explained the reasons for their Party's support to the present Ministry last year. U Tha, though he had no confidence in the present Ministry, was afraid that the new one might be worse. He was followed by U Tun Pe, who opposed the motion.

U Sein Ba (Peoples' Party) said that Sir Joseph Maung Gyi had no following. The Independent Party existed in paper only. U Kyaw Din's case was infinitely worse. The speaker asked if any improvement was effected by U Kyaw Din in education and sanitation.

Soon after *U Sein Ba* had resumed his seat. Mr. S. A. S. Tyabji rose to a point of order, pointing out that the leaders of the parties in favour of the motion had not spoken.

Dr. Ba Maw then expressing his willingness to comply with Mr. Tyabji's request explained the position of his party. He remarked that in supporting the present Ministry last year, his object was not to disturb its position so long as the separation issue remained dominant in the country. Also their constitutional policy was not jeopardised. They were now faced with constitutional and 'economic' crises and the present Ministers had no policy "except that of capturing office." They carried on the official policy. Further, they had no contact with the country and no support except from officials and nominated members and minorities. For the purpose of a stable Ministry, the three essentials were, real contact with the country, ability to assist the Government in solving the country's problem and a policy of reflecting the minds of the people of the country. The present Ministers failed to satisfy these requirements. They had no sympathy and policy. Further, Sir Joseph Maung Gyi expressed his preparedness to accept any constitution if separation was effected. U Kyaw Din's attitude at the Joint Parliamentary Committee was destructive to Burman's legitimate claims.

Mr. S. A. S. Tyabji, opposing, apprehended that the passing of such notions would result in possible reactions on large matters remaining to be settled, he meant the constitutional reforms. He thought no Ministry was safe in the diarchical form of Government and under the present circumstances he would allow the present Ministers to continue till a stable form of government was reached.

U Kyaw Din (Education Minister) replying referred to the main issue involved. It was his policy, he said, not to interfere with the decision of any local body unless he thought that particular claim was against the general policy of local bodies. The main charge against him was his attitude at the Joint Parliamentary Committee. He was invited to join the delegation as an ordinary representative. His attitude there was that it was the aspiration of the people of Burma to form a separate political entity. It was not he who changed his attitude, but Dr. Ba Maw and his party. Concluding, he said that as no specific allegations were made against him, it was difficult for him to give a detailed reply. Still he would say at this juncture it was not wise that they should be quarrelling on the attitude adopted by him at the Joint Parliamentary Committee.

U Ba Pe (leader of the Peoples' Party) said that the position of his party was very clear. From the strict constitutional viewpoint, a man having no following must not be in the Ministry and this test he applied last year after U Kyaw Din's appointment as Minister and then his party's. Ministry was defeated, Doctor Ba Maw's party having supported the Ministers. Now U Kyaw Din lost support of Dr. Ba Maw's party or Dr. Ba Maw's party lost confidence in him. So his party applied again the same step. Regarding Sir Joseph Maung Gyi he referred to the responsibility of Ministers under diarchy.

Sir Joseph Maung Gyi (Forest Minister) replying said that he had always been a Separationist and still was a Separationist. Regarding the attacks made that he was satisfied with the constitution outlined by the Prime Minister, he explained that it did not matter what constitution they got but the way they worked it. He emphasised that he was as patriotic as any other Burman in the House.

Regarding the position of Minorities, Sir Joseph pointed out that a minority should not be ignored because it always helped to increase the prosperity of the country. He challenged his opponents to show how he had gone out of his way to incur the "no confidence" of his country. Concluding, he said, as a Buddhist, he

believed in Karma and if his Karma was good, the Opposition could not succeed in their attempts.

The motion was then pressed to a division and carried by 49 against 47 votes, only *U Ni* remaining neutral. Three members of *U Chit Hlaing's* party and one of Dr. Ba Maw's group voted against the motion. Amongst Indian members, three were absent while others voted against, excepting Mr. Ganga Singh.

NO-CONFIDENCE ON PRESIDENT

21st FEBRUARY :—*U Kin Maung's* motion for the removal of the President was defeated at the Council by 42 votes against 41. *U Ba Thaung* withdrew his motion for the removal of the Deputy President.

The President, Sir Oscar De Glanville, at the outset, pointed out that it was perfectly constitutional for him to preside over the day's business but explaining the position created by the 'no-confidence' motion against him, he expressed ignorance of any indication of the charges that had been levelled against him on account of which he should resign. He would, however, exercise his right of replying against the charges, before putting the motion to the vote. After these remarks the President retired, calling upon the Deputy President to take the chair.

U Kin Maung then moved his motion for the removal of the President. The mover said that it was not through personal feelings that he was moving this motion but because of several grievances the House had against the President. He also complained of the President's insufficient knowledge of the Burmese language, as a result of which, he opined, the work of the Council was hampered, as a majority of the members, being Burmans, were not acquainted with the English language. The continuance of the President in office was prejudicial to the interests of the members, the Government and the country. Referring to the matter in which the speaker was examined by the President regarding two resolutions, notice of which was given by two members of his Party, *U Kin Maung* resented the action taken by the President in that respect. With a view to ascertaining the validity of those resolutions, *U Kin Manng* said that the President instituted police enquiries and when their report was in the negative the President took down a statement from him.

U Ba Chau and *U Po Thein* of *U Chit Hlaing's* Party and *U Po Mya* and *U Thi* of Dr. Ba Maw's group supported the motion. *U Po Thein* blamed the President for not being able to manage business in such a way during the discussion of a constitutional issue as to elicit a definite reply on the question of Separation and Federation, while *U Thi* accused Sir Oscar of giving more time to officials and Independent members to speak and treating them in a suave manner, which latitude, he contended, was not accorded to the Opposition.

U Ba Shewe (*U Chit Hlaing's* Party), opposing the motion, warned the House against being led away by envious feeling.

U Sein Ba (Peoples' Party) also supported the resolution.

U Ba Thein (*U Chit Hlaing's* Party) 'inter alia' charged Sir Oscar with party prejudice and attempt to suppress freedom of speech. In support of his argument, *U Ba Thein* read out several important resolutions which were disallowed by the President. He also blamed the conduct of Sir Oscar for the employment of an outside agency to make enquiries regarding a matter concerning *U Kin Maung* which action of the President, he thought, was an insult to the House.

U Ba Maw supporting the motion remarked that it was not connected with Separation.

U Chit Hlaing, in the course of his speech, said that he was not at peace in mind for the resolution before the House. He would be the last person to see the fall of Sir Oscar. He also remarked that he was not instrumental in the motion being brought forward. He expressed the opinion that he would never attempt to take any office under the coming reforms. "I must work and die for the benefit of the country", he said. *U Chit Hlaing*, continuing, said that as other parties had asked for their cooperation, his party, with its majority, would co-operate with those for the motion for the betterment of the country.

Sir Oscar, replying, said that a great deal had been said about the receipt of certain resolutions in the Council and certain police action taken in that connection. With a view to explaining the matter concerned, he pointed out that on 31st January, 1934, the last day for receiving resolutions, certain resolutions, including resolutions of "no-confidence" in the Ministry, bearing the signatures of *U Kyaw Din* and *U Paw U* were sent in and he and other members of the staff of the

Council Office, believed the signatures to be genuine and so he passed orders on them, but on future examination he doubted the genuineness of the signatures. As the members concerned were living in the districts, he asked the Chief Secretary to make the necessary enquiry, so that his doubts might be cleared. As a result of the enquiry, it was revealed that no members had signed the resolution nor had they authorised anyone to send in such resolutions. He, thereupon, called U Kin Maung to his office and the latter made a statement, which the President read out to the Council. The statement was to the effect that both U Kyan Din and U Paw U had each sent in a resolution and U Kin Maung, thinking they would agree, had added further resolutions to theirs.

Refuting the charge that he encroached upon the rights and privileges of members, Sir Oscar pointed out that it was his duty to maintain high standard for himself and keep order in the House. His conscience did not reproach him in any way because he felt he had done what was perfectly right. Regarding his alleged partiality to the Independent Party and rulings on matters of Separation and Federation, Sir Oscar said that no reply was required from him, remarking that the Opposition must know in their hearts whether he had treated them fairly or unfairly. Regarding his insufficient knowledge of Burmese, he pointed out that the Council language was English.

The Chief Secretary, Mr. Booth Gravely, pointed out to the House that the President used the right channel for enquiry and when he sent a telegram to the Deputy Commissioners of the districts where the members concerned were living, it was not contemplated that the police should be entrusted with the enquiry and he regretted that happening. He assured the Council that in future no such thing would occur. He also referred to the excellent manner in which the President conducted the business of the House not only in this Council but also in previous Councils.

U. Ba Than (Peoples' Party) stood up and criticised the President's policy not only regarding his action concerning the resolutions, but resented the rulings given from time to time by the President.

Mr. J. Cherry, opposing the motion, characterised the charges against the President as frivolous and said that no reasons were adduced to support them. The speeches indicated merely the leaders' attitude. In connection with yesterday's no-confidence motion certain reasons were adduced but to-day there were none.

C. P. Kin Maung, replying to the debate, pointed out that the notices did not bear any trace of signature. The names were only transcribed in English. There were no forgeries. He made no attempt to disguise his handwriting. He was fully authorised by the members concerned to act on their behalf. His motion had nothing to do with the Separation and the Federation issue.

The Finance Member then said that motions for the removal of the President should not be moved in a party spirit. The charges should be definite to be placed before the Governor. In this connection he referred to Mr. Cherry's remarks regarding C. P. Kin Maung's action. He said C. P. Kin Maung had acted in honesty of purpose, but had taken an exaggerated view of his Party duties.

Referring to police enquiries, the Finance Member expressed regret on behalf of the Local Government. Concluding, he warned the House that if the motion was passed it would be most injurious to the prestige of the Council.

The motion was thereafter pressed to a division and defeated by 42 against 41 votes. Three of U Chit Hlaing's party remained neutral. The latter allowed free voting on the motion. U Ba Taung then withdrew his motion for the removal of the Deputy President. The Council then adjourned.

BURMA EXCISE AMEND. BILL

24th. FEBRUARY :—At to-day's sitting of the Council, the Forest Minister's *Burma Excise (Amendment) Bill* 1934, permitting the employment of women in places where foreign liquor is sold or served under certain conditions subject to the approval of the Excise Commissioner, having been considered, was passed. The Council then adjourned till the 28th. February.

VOTING ON BUDGET DEMANDS

28th. FEBRUARY :—Voting on Budget demands commenced to-day. The cut motions made by U. San Lu in connection with the item under demand by the Finance Member resulted in a Government defeat by 25 against 48 votes, the purpose of the motion being to reduce land revenue demand by 50 per cent.

1st MARCH :—The Council passed to-day the *Finance Member's* demand for Rs. 209,21,830 minus Rs. 230 as the result of five cuts, the purposes of which were 50 per cent. reduction in land revenue, reduction of capitation and That-hamada taxes and exemption of persons over 55 from payment of the capitation tax. The Government suffered defeat in every cut.

SHIPPING LABOUR'S GRIEVANCES

3rd. MARCH —A few hours before the Council resumed sitting to-day, a crowd of Burmese shipping labourers assembled at Sparks Street to take out a procession for the purpose of making a demonstration in favour of U *Saw's* cut motion in the Home Member's demand. The motion asked to raise the 50/50 basis to a cent per cent basis in Burmese shipping labour. Permission for the procession was refused, and to prevent any disturbance the police was stationed outside the Council Chamber and at the entrance to the Secretariat offices. Red leaflets in Burmese demanding 100 per cent Burmese dock labourers were also distributed to M. L. Cs.

There were only a few minutes left for the Council to be adjourned for the day when U *Saw's* motion was reached. The mover proposed, as a protest, throwing away the total demand for Rs. 43,630 instead of reducing it by Rs. 100, but the motion was lost.

BURMA REBELLION RECALLED

The last Burma Rebellion was recalled to-day by another cut motion of Rs. 100, moved earlier by the same member urging the appointment of a non-official committee under the chairmanship of a High Court Judge to enquire into real causes of the last rebellion and the alleged excesses committed by the police and military irregular force. The motion was carried by 38 votes to 20. U *Saw*, maintaining that the rebellion originated from economic distress, criticised the Government report just published as one-sided and said it gave the impression that the cause of the rebellion was political.

The *Chief Secretary*, explaining the report, pointed out that it was based on judicial findings and further enquiry therefore was unnecessary and fruitless. He added a similar motion was put before the Council last year.

In the course of the mover's speech and Chief Secretary's reply references were made by both to the mover's proscribed pamphlet on the rebellion. The Chief Secretary criticised the pamphlet, which did not give an idea of the peace and order to which the mover referred while moving the motion.

The *Home Member* endorsed the view of the Chief Secretary that the enquiry was needless as the same after three or four years now would give them the impression of people only, instead of reliable evidence. The motion was pressed to a division and was carried.

The *Home Member's* demand for Rs. 2,85,68,780 minus Re. 221 as the result of several cuts was passed. (The House then adjourned till the 5th.

REFUND OF RICE EXPORT DUTY

5th. MARCH :—In the Council to-day an adjournment motion by Mr. C. G. Wodehouse, Chairman of the Burma Chamber of Commerce, was discussed to express keen disappointment at the non-success of the Burma Government to obtain the refund from the Government of India of at least half the amount contributed by Burma by the export duty of rice in view of the fact that the Government of India had announced their intention of refunding half of the export duty on jute to the producing provinces. All non-official sections of the House including Indians, Europeans, Indian and Burmese Chambers of Commerce supported the motion which was unanimously carried. Mr. Wodehouse stressed that Burma, like Bengal, was equally faced with an annual deficit. He pointed out that Burma's annual deficit per head was As. 10, while Bengal's was As. 6. Moreover, Burma was dependent on its rice crop with no manufacturers like Bengal. He also regretted that the local Government was not wide awake and clever as the Bengal Government in this connection. He also referred to the non-inclusion of Burma in the Indian White Paper and no particular reference to rice export duty therein, whereas provisions were made in the White Paper for the Bengal Jute Tax. He hoped that the Local Government would put up a cast iron case for at least half refund of rice export duty.

The main points urged by many speakers including party leaders were that the Jute Export Duty was entirely borne by consumers while the burden of rice export duty was shared by agriculturists at present though there was a time when Burma was practically the only rice exporting country. References were also made to the inquiry of the Meston Award. Some speakers pointed out that Burma's case rested on justice and equity and not only analogy.

The Finance Member, Mr. Couper, Leader of the House, said that in the previous debate on the proposals to secure the proceeds of the export tax on rice for provincial revenue the Government had taken no active part and therefore to-day he proposed to follow a similar course but he opined that the Government would support the motion with such force as it commanded. As to the merits of the case the Government, after all, was a subordinate Government and had to observe constitutional etiquette.

The Finance Member then detailed how the Government on many occasions either mooted on its own initiative proposals in connection with the tax or had given cordial co-operation to every proposal which dealt with the subject. He also stated that the Government's efforts to improve the financial position by getting a refund of taxes had not been successful though the Government was not negligent in such matters.

6th. MARCH :—The Council passed to-day the whole Budget with a few token cuts under demand of the Forest Minister. There being very little time, barring one cut, which was withdrawn, no others came up before the House under the Education Minister's demand, which was put to vote and passed.

EXCISE DUTY ON MATCHES

7th. MARCH :—The Council unanimously passed to-day the adjournment motion moved by Mr. Ganga Singh to discuss the policy of the local Government in regard to the Government of India's Budget proposals so far as they relate to Burma and the treatment meted out to Burma especially in the proposed imposition of excise duty on matches and sugar and urge the Government of Burma not to relax its efforts to protect Burma's interests.

Mr. Ganga Singh said that the Government of Burma, with the consent of the Government of India in 1932, in order to balance its budget imposed a consumption duty at a rate of 12 annas per gross on matches manufactured in or imported into Burma, bringing an income of about 18 lakhs of rupees. Now the Indian Exchequer proposed to repeal the consumption duty and levy an excise duty on matches in India and Burma. This would mean roughly a collection of 54 lakhs from Burma but out of this total Burma would receive 18 lakhs which she is at present getting. He also observed that this taxation would adversely affect the masses and growing indigenous industries. Regarding the proposed excise duty on sugar, it would further allow foreign import to get more through customs and bring ruin to Burma's sugar industry and cultivators.

Several members, who supported the motion, remarked that additional taxation was proposed to help Bengal and punish Burma along with others. The Finance Member said that the local Government protested against the proposal for repealing consumption duty on matches when the Government of India communicated it to them. They also protested against inadequate assignment to Burma from the Central revenues. He assured the House that the record of the debate would be sent to the Government of India as early as possible.

RANGOON MUNICIPAL AMEND. BILL

8th. MARCH :—The Council unanimously passed to-day the City of Rangoon Municipal (Amendment) Bill 1934 as amended by the Select Committee, designating the President of the Rangoon Municipal Corporation as Mayor.

Under the orders of His Excellency the Governor, after to-day's business was over, the Council was prorogued.

SEPARATION OF BURMA

R. T. C. DELEGATES' PROPOSALS TO JOINT COMMITTEE

A joint memorandum on the scheme of constitutional reform in Burma, if separated from India, with appendices on the Local Government's memoranda regarding trade discrimination and franchise and on the sub-committee's report on Education in Burma, was submitted to the Joint Select Committee on 22nd December 1934 by U Ba Pe, U Shaway Tha, Dr. Ma Baw, U Thein Maung and U Kyaw Din, Burma delegates. U Kyaw also submitted a separate Memorandum on points he differed from the Joint Memorandum.

The Joint Memorandum discussed in detail the problem of the constitution as sketched in the Burma White Paper proposals and pointed out that the aspiration of the people of Burma was to attain "Dominion Status" within the British Commonwealth of free Nations.

Welcoming the suggestion that His Majesty might be pleased to adopt the title of the King Emperor of Burma after the separation of Burma from India, the signatories proposed that the head of the Executive in Burma should be designated Governor-General and should always be a man who had had appreciable Parliamentary experience in the working of full responsible Government. But he should never be a military man, a member of the Civil Service nor a man who was not acceptable to the Ministry of Burma with which he would have to work.

With regard to Defence they recommend that there should be a military Council for Burma on the lines of the Imperial Defence Committee and the Governor-General and the Military Council should be charged with the duty of raising a Burmese Army and training the Burmese people to defend themselves by opening schools on the model of British Army Schools.

The Legislature of Burma should be kept acquainted with military matters and it should have the right to discuss them.

As regards external affairs, they suggested that these should be confined to the subject of political relations with other countries. Commercial, economic and other relations should be within the purview of the legislature of Burma and ministers responsible thereto.

With regard to Reserve Subjects generally they contended that it should be made quite clear at least in the instrument of Instructions to the Governor that Burmans should be associated with the administrations of all the reserved subjects so that they might get the necessary training to take over the full responsibility of administering them in future.

So far as the appointment of financial adviser was concerned they approved of the appointment subject to certain conditions, the important of them being:-

- (I) He should be an independent expert who was not connected with any political or financial interest in India, Burma and the United Kingdom.
- (II) He should not have any executive power.
- (III) He should be under statutory obligations to give such financial advice to the legislature of Burma as it might require.
- (IV) His salary and conditions of service should be fixed by the Governor-General after consultation with ministers.

Alluding to the special responsibilities of the Governor-General the signatories held that the Governor-General's decision as to whether any of special responsibilities were involved by any given circumstances should be reported immediately to the Secretary of State and should be subject to cancellation by him. It should also be subject to revision by the Judicial Committee of the Privy Council at the instance of the Ministry.

Dealing with the subject of legislature they were of opinion that a second Chamber was not necessary and, therefore, the legislature should be unicameral.

The Joint Memorandum in an appendix criticised the proposed discrimination in Burma and held that there should be a reciprocity clause as against the rest of British Empire inasmuch as such a clause was there even in the case of the

United Kingdom. Equality or mutuality was equity and it was absolutely unfair to compel Burma to recognise the rights of citizens of other countries in the British Commonwealth which did not similarly recognise the right of her people. Besides, there was no reason why they should not be satisfied even with the same terms and conditions as the United Kingdom. This protest was made on principle. In actual practice there might not be any Burman to take advantage of reciprocity in the matter for some considerable time. The signatories also urged that it should be within the competence of the Burma Legislature to remove such commercial and administrative discrimination as might have been in existence before the Constitution Act came into force.

Further, they noted with some satisfaction that no protection of the right of entry into Burma was contemplated in favour of British subjects domiciled in India, but strongly opposed the proposal that the introduction of any legislation regulating immigration should be subject to the Governor or Governor-General's prior consent and might also be reserved for signification of His Majesty's pleasure. They also stressed that it should be made quite clear in the Act that the Government of Burma should have complete control of its own land.

COMMUNAL REPRESENTATION

Referring to communal representation, they advocated that there should be no communal representation, for :

1. The system of communal electorate was a very serious hindrance to the development of the self-governing principle ;
2. The communal problem, in the Indian sense, did not exist in Burma.
3. If the criterion of the existence of a minority adopted by the League of Nations be applied, namely, that a minority must constitute at least 20 per cent of the total population, there were no minorities in Burma.
4. The minority communities had gained representation through general constituencies in the past and they were influential enough to do so in the future.
5. In some constituencies, the minorities were compact enough to be able to secure the seats to themselves, e. g. the Indians in Rangoon, the Chinese in West Rangoon and the Karens in Thaton and Amherst districts.
6. Two of the communities were to be represented through special seats for commercial interests, such seats being provided for the European and Indian Chambers of Commerce.
7. Protection of the legitimate interests of the minorities was a special responsibility of the Governor-General, and,
8. There were provisions against trade and administrative discrimination.

Dealing with the question of European representation, they were of opinion that if the European community was given communal seats on population basis like other communities, and no special weightage was allowed for their commerce inasmuch as it was to get special representation, the community would be entitled to about .08 of the seats. That being so, there was no justification to provide communal seats for the European community.

Referring to Anglo-Indians (including Burmans and Europeans), the signatories viewed that there was no justification for the provision of communal seats for the Anglo-Indians. They were out for a merger with the Burmese people and were opposed to communal representation and separate electorates. A large number of them consisted mainly of Anglo-Indians serving in the Railways, Press and Telegraphs Departments and as such had no abiding interest in the country and they would return to India on completion of their term of service in Burma. They had also no special commercial interest to be protected. As regards members of various services, their prospects and position would be fully secured by proposals under "Public Services". They would also enjoy equal rights and liberties on the same footing as the Burmese people.

INDIAN'S CLAIMS

With regard to Indian representation they expressed opinion that it would be unfair to the people of Burma to provide communal seats to a section of Indians in the name of the whole Indian community because—

1. The Indians were in a strong position in Rangoon, Mandalay and other places and they would always find seats in the Legislature through the general constituencies.

2. They are temporary residents with no abiding national interests in the country.

3. If the Labour votes and the votes of the members of Indo-Burma races were deducted from the total Indian population in the areas that would be made into constituencies, the actual number of Indians who were demanding communal representation on separate electorates would be very small.

4. The members of Indo-Burma races were opposed to communal representation as they always got seats in the Council through general electorates.

They also advocated that all general constituencies should be single member constituencies so that the areas might be smaller and members might be able to keep themselves in touch with their respective constituencies.

ANTI-SEPARATIONIST DELEGATES' MEMORANDUM

Expressing the opinion that Burma was part and parcel of Indian Empire and that Federation was the logical course, U Chit Hlaing, Anti-Separationist Burmese delegate, submitted the following memorandum to the Joint Select Committee on the 22nd December 1934.

The majority of people in Burma were opposed to the diarchical constitutions inaugurated by the Montague-Chelmsford Reforms and for ten years (until the last general election) took no part either in the elections or in the legislatures. They were opposed also to the Statutory Commission presided over by Sir John Simon and gave no evidence before it.

The only people who took part in the elections, sat in the legislatures at Rangoon and Delhi or Simla, and gave evidence before the Statutory Commission, were the so-called cooperators and it was from the ranks of this minority only that representatives were invited to serve on the first Indian Round Table Conference.

We, who wish to continue as part of the Indian Federation, never accepted them as acting or speaking for the majority of the electors of Burma whom I, Dr. Ba Maw and others represent, nor do we accept them now as speaking for any except a minority of the people and electors of Burma.

On their statements, backed up by the Government of Burma and the India Office, it was assumed that Burma would wish to be separated from India. A Burma Round Table Conference was held in London at St. James' Palace, from 27th November 1931 to 12th January 1932.

At that Burma Round Table Conference we, the Burma majority who desire to remain in the Indian Federation, were represented for the first time.

In spite of our statements there, most of the time of that Conference, as most of the time that we have sat as delegates with this Joint Select Committee, was spent in discussing the kind of constitution Burma should have if she were separated from India.

It was agreed on all sides, at the Burma Round Table Conference, that the decision of separation from or continued federation with India should be decided by the people of Burma by their votes on this distinct issue at a general election to be held after our return to Burma following the conclusion of the Burma Round Table Conference.

PREMIER'S DECLARATION

At the final session of that Conference, the Prime Minister made the matter crystal-clear. He read a statement which he was "authorised to make" by his colleagues of His Majesty's Government.

The chief points in the Prime Minister's declaration were contained in these words:-

"The first step is to ascertain whether the people of Burma endorse the provisional decision that separation should take place.

"The people of Burma will be in a position to decide whether or not they are in favour of separation from India. His Majesty's Government consider that the decision might best be taken after a general election at which the broad issue had been placed before the electorate.

"That decision will determine whether, on the one hand, Burma should be independent of India with a constitution on the lines set forth above or, on the other hand, should remain a province of India with the prospects indicated in the proceedings of the two sessions of the Indian Round Table Conference and in this connec-

tion it should be remembered that if an Indian Federation is established it cannot be on the basis that members can leave it as and when they choose".

The Prime Minister's statement was translated into Burmese, printed as a booklet (a copy of which was exhibited to the Joint Select Committee) and circulated by the Government of Burma, by the thousands, in every village in Burma. It is impossible, therefore, to argue that the electors of Burma were not fully cognisant of the issue to be voted on at the general election, of their responsibility in casting their votes, and of the express statement made by the Prime Minister that Burma's decision on this question of federation or separation was final and conclusive.

INDIA SECRETARY'S STATEMENT

The issue put before the electors of Burma was further emphasised and made clear by a statement made by the Secretary of State for India, in the House of Commons on 20th March 1933, after the general election had taken place. In this statement the Secretary of State for India used these words :—

"In the event of Burma electing for separation from India His Majesty's Government hope that it will be possible for the Joint Select Committee to examine their proposals for a constitution for a separated Burma, and to do so in consultation with representatives of Burma in the same way as it is proposed that representatives of India should be taken into consideration on the Indian proposals.

The second of the two alternatives open to Burma is to remain a province of British India and be concluded as Governor's Province in the Indian Federation. It has been explained more than once in this House and also in the Legislative Council in Burma that no differentiation in favour of any one province in respect of conditions of inclusion in the Federation is possible. The constitutional proposals for each and every Governor's province are now shown in detail in the White Paper that has just been laid.

"If Burma chooses to remain a province of India in the Indian Federation, the proposals contained in this White Paper for the structure of the Provincial constitutions, for the relations between provinces and the Federal authority, and for the allocation of revenue between Provincial and Federal Exchequers, will be applicable to her as to all other provinces and the inclusion of Burma will necessitate no modification of these proposals.

"Her inclusion would, however, involve some revision of the Federal proposals, in respect, particularly, of the composition of the Federal Legislature. His Majesty's Government contemplate that, if Burma elects for inclusion in the Federation while the present proposals are under consideration by the Joint Select Committee, the adjustments involved by her inclusion might be made at the Committee stage: but it is evident that the longer Burma delays a choice between the only two alternatives, that are open, the greater will be the delay to the prospects of her own constitutional development."

If after this election, fought on the issue fixed by His Majesty's Government Burma is now separated from India against the clear expression of their wishes given by a large majority of the people of Burma at the general election, it will shake the faith of the Burman people in the sanctity of British pledges. I dread and am unable to anticipate what the possible reactions in Burma may be. This is a matter that affects the people of Burma vitally in their economic and financial future. They look to His Majesty's Government to fulfil the pledge given to them by your Prime Minister. They feel no doubt that such pledges are as sacred to you as they are to us. I pray you not to force our people into the belief that a promise given to them by His Majesty's Government is not to be relied upon to be carried out to the full. We have trusted you and pray that the trust of a people 8,000 miles away from your shores may not be misplaced.

There is no party or section in Burma or in the Legislative Council—not even the Separationists represented by the People's Party led by U Ba Pe—which has not refused to accept the separated constitution for Burma outlined by the Prime Minister at the conclusion of the Burma Round Table Conference. Indeed, all parties have voted against such a constitution as being quite unacceptable to Burma.

GENERAL ELECTION

The General Election, for the election of 80 members to the Burma Legislative Council, on the issue fixed by the British Cabinet, was held in Burma in November 1932. The final results were as follows :—

Anti-Separationists	42
Separationists	29
Neutrals	9

The figures were given by me in the discussion between the Joint Select Committee and the delegates from Burma on 6th December 1933 as Anti-Separationists over 50,000 and Separationists 270,000. The voting was therefore nearly 2 to 1 in favour of continuing the association with India and against separation.

The "Morning Post" of London, commenting upon this, said that "the Burmans have now to all appearances voluntarily voted themselves into the proposed federation of all India." That exactly sums up the position.

We were astounded in the course of our earlier discussions with the Joint Select Committee on 7th December 1933, to hear the Secretary of State say :-

"The Government never said that the general election need necessarily be the final word in the controversy. The Prime Minister was very careful to state both at the beginning of his speech and later on in his speech that the opinion of Burma would be asked and that when we had received the opinion of Burma, then the Government would have to arrive at its own decision, but never on any occasion has the Prime Minister or any member of the Government abdicated the right of the Government or the right of this Committee or the right of Parliament to come to any decision that they thought fit, whatever may have been the result of the general election. I would remind the Committee of the words that were actually used by the Prime Minister on page 178 of the proceedings of the Round Table Conference. I will read one or two of the material paragraphs: 'His Majesty's Government are prepared, if and when they are satisfied, that the desire of the people of Burma is that the Government of their country should be separated from that of India, to take steps subject to the approval of Parliament', and so on. Then again there is another passage on page 182, the passage at the bottom of the page: 'With this material before them, the people of Burma will be in a position to decide whether or not they are in favour of separation from India. His Majesty's Government consider that the decision might best be taken after a general election at which the broad issue had been placed before the electorate.' That passage quite clearly safeguards the right and indeed the duty of the Government and Parliament to consider the whole problem after the election had taken place."

The whole burden of the Prime Minister's speech was to lay the onus of decision on the people of Burma to vote as to whether they elected to be separated from India or to continue as part of the Indian Federation.

The portion of the Prime Minister's speech quoted by the Secretary of State as quite clearly safeguarding the right and indeed the duty of the Government and of Parliament to consider the whole problem after the election had taken place refers not to the decision of His Majesty's Government but to the decision of the Burma Legislative Council after the election.

It was so understood by us at the time the statement was made by the Prime Minister, and it was so understood in Burma. Indeed it is difficult to see how any other meaning could be read into the words.

It is true that no clear decision was given by the Burma Legislative Council but it is equally true that no party is in favour of the proposed constitution as outlined by the Prime Minister and all parties voted against it.

In view of the Prime Minister's statement on behalf of His Majesty's Government, it seems to be clearly promised to us that Burma cannot be treated as outside the proposed Indian Federation unless she specially votes for separation. This, she had not done. It would seem, therefore, as if the logical course would be for His Majesty's Government to continue to treat Burma as a province of the Indian Federation.

The Secretary of State presented a memorandum on Burma to the Joint Committee on 10th October 1933. In view of the result of the General Election in November 1932, it is surprising to read in his memorandum :

"I have come to the two conclusions that were reached by the Statutory Commission, namely, that Burma should henceforth be separated from India, and the general body of Burman opinion supports separation."

How he arrived at this conclusion we are unable to understand. There is certainly no ground for it in the result of the last general election.

On 29th November 1933, on the eve of our meeting with this Joint Select Committee, an article occupying a column and a half appeared in the middle

pages of the "Times" news paper, in London under the heading "The Choice of Burma". That article, "from a special correspondent" gave, in our view, an entirely misleading picture of the present political position in Burma. Although I replied to this article at once, the Editor of the "Times," did not and has not published my reply giving the real facts and figures. That is only one example of how difficult it is to have our true position realised or appreciated by the British public.

Of the delegates from Burma who have been asked to sit with this Joint Select Committee, only 4 out of 12 represent the majority on the Burma Legislative Council elected at the last general election. The others represent other "parties and interests in Burma"—to quote from the Secretary of State's memorandum.

On Tuesday afternoon, 19th December 1933, we were informed that in the following afternoon session (Wednesday 20th December), the question of federation would be considered. Only two hours were given to this important matter and it does seem to us if the strength of our position and case was not realised in this country.

At the sitting of the Joint Select Committee on 20th December 1933 I ventured to outline the special provisions that, in our view, should be included in the Constitution Act to the points in that speech I would humbly refer the members of the Joint Select Committee.

We earnestly pray that the decision of the majority of the electors of Burma, given so clearly at the general election held in November 1932, may be accepted by His Majesty's Government and that we may be included in the Indian Federation. If this joint committee should decide otherwise the faith of an Eastern people will be seriously shaken with repercussions that no one can foresee.

The G. C. B. A. Conference

Presiding over the annual conference of G. C. B. A., held Monywa on the 10th. May 1934, U. Sein (Bandoola) said that so far as policy was concerned, they must be firm, consistent and unwavering but their methods must be determined by the requirements of time. He added : "If non-co-operation fails we must have courage to pursue a policy of co-operation. All our objects have been dominated by a desire to achieve the ultimate object (full responsible Government) and to discover the most effective road to it. Mahatma Gandhi and the Congress have recently shown such courage and taken a bold decision. We must act likewise."

Dr. Ba Maw, Education Minister, assured the Conference of his continued adherence to the "Wunthanu" policy. Dr. Ba Maw, speaking again at the night session, explained at length the meaning of Responsible Government and the work implied by it. He added : "We must not only demand Responsible Government but also prove ourselves fit for Responsibility". He pointed out that he had already made clear in Burma and in England their determination to achieve full Responsible Government. Now he wanted to prove that Burmans were fit for responsibility before it was time to support the demand by proof of fitness and he would, to the best of his ability, give that proof. "We must be prepared for it and Burmans must also think in that direction", declared Dr. Ba Maw. He also expressed determination that if he had any reason to think that he would be more useful in expressing the desire of the people, he would not hesitate to return to that task.

RESOLUTIONS

At the Conference of G. C. B. A., which was continued on the next-day, the 11th. May, resolutions were passed deciding to contest the elections to local self-governing bodies ; to appoint a committee of 20 to consider and report on the impending constitutional changes, when they occur. This committee will advise the Associations regarding the future action to move the Government to take protective measures for

safeguarding the interests of Burma produce and industries against foreign competition ; to move the Government to reduce all taxes as soon as practicable ; to urge the Government to appoint immediately an economic council to undertake an economic survey of Burma and consider all economic questions including taxation, production, trade and marketing : (6) to urge all affiliated associations to encourage volunteer and fire fighting associations for the protection of towns and villages and create a central organisation for control of all such associations , in view of the impending reforms to urge the Government to grant general amnesty to all political offenders and remove the existing ban on unlawful associations this being absolutely necessary to create a proper atmosphere for workers of reforms ; and to urge the Government to withdraw all restrictive orders passed under Section 144 for the same reasons.

At the close of the proceedings *Dr. Ba Maw*, Education Minister, addressed the Conference for about an hour, regarding his work on the Burma Delegation.

REDUCTION OF SALT DUTY

The Conference, under the control of *Myeso Sayadaw*, concluded its session on the 12th. May. The resolutions passed (1) urged the reduction of duty on salt to the previous level, (2) protested against the levying of separate thatameda taxes on families living jointly and on aged people, (3) objected to the taxation of crops instead of land and (4) urged the opening up of newly reserved forests.

U. Sein (Bandoola) was re-elected President for the ensuing year.

Burma Indian Association's Views

Seaking at the third annual meeting of the Burma Indian Association, held at Rangoon on the 12th. May 1934, *Mr. S. A. S. Tyabji*, M. L. C., President of the Association, said that he had no idea of separation or federation but the whole question lay entirely with the Joint Select Committee, adding that trade relations would be one of the factors. He also invited suggestions and criticisms from the members of the Association on his Memorandum on labour and the Joint Memorandum submitted by him and *Mr. N. M. Cowasjee* to the Joint Select Committee on the question of discrimination.

CONGRESS AND CONFERENCES

The Congress Leaders' Conference

Revival of Swaraj Party

All India Congress Committee

AND

Other Political Conferences

January--June 1934

The Congress Leaders' Conference

REVIVAL OF SWARAJ PARTY

The Conference of Congress leaders, called together by Dr. Bidhan Roy and Dr. Ansari to take stock of political situation in the country and consider a reorientation of Congress policy, commenced on the 31st. March 1934.

The magnificent reception hall in Dr. Ansari's house on the banks of the Jamna at Daryaganj in old Delhi was the venue of the Conference. The tri-coloured Congress flag was merrily flying over "Darul Islam", as Dr. Ansari's residence is known. Nearly forty delegates, representing all provinces, attended and included Dr. Ansari, Dr. Bidhan Chandra Roy, Dr. Alam, Mr. R. K. Sidhwa, Pandit Madan Mohan Malaviya, Mr. Satyamurti, Mr. Bhakthavathsala Mudaliar, Mr. Bhulabhai Desai (*Chairman*), Mr. K. M. Munshi, Mr. K. F. Nariman, Mr. G. V. Subba Rao, Mr. Mohanlal Saksena and Mr. Dixit.

ORIGIN OF THE CONFERENCE

The origin of the talks at the Leaders' Conference was stated to be a letter received by Mr. Munshi from Mr. Gandhi in which the latter stated that the decision of the Poona Conference could not be altered till an honourable settlement was arrived at with the Government, but that those who wished to chalk out a supplementary programme should do so, and he would welcome it and that in fact if they did not do so they would prove a burden to Mr. Gandhi. A letter was also received from Mr. Aney on the subject before the Conference.

Whether or not the revival of the Swaraj Party^{*} with a view to carry on the constructive work as chalked out at Poona and contest the Assembly elections, will meet Mahatma Gandhi's approval was a source of anxiety to the leaders throughout their deliberations. Dr. Ansari gave a qualified assurance of Mahatma Gandhi's support on the strength of a letter he had received recently from Gandhiji in which the latter was alleged to have expressed the opinion that he had no objection to congressmen instead of offering civil resistance working out some programme calculated to prevent political paralysis in the country.

The major portion of the two days' discussions was devoted to consideration of the question of calling off civil disobedience movement, but nothing related to this subject was embodied in a resolution as it was feared that the proposal would not be acceptable to Mahatma Gandhi without whose tacit consent, if not active support, the council entry programme of the Swaraj Party would not achieve the expected success. It was understood the resolution which was adopted was unanimous, excepting that Mr. K. F. Nariman opposed that part of the resolution relating to constructive work on the ground that the Poona Conference was not sanctioned by the Congress. Following is the official statement of the Conference held on the 31st. March 1934.

OFFICIAL STATEMENT

"In order to prevent wholly inaccurate speculations and misleading statements regarding the scope and purpose of the informal consultations among Congressmen who are in Delhi, it is necessary to state that so far nothing that appeared in the

* In this connection it may be stated here that Mahatma Gandhi after his release on 23rd. August 1933 took a vow of abstinence from C. D. Movement for the remaining period of the sentence. After staying for sometime in Poona and Bombay, he stayed for a few weeks at Wardha to recoup his health. He began his Harijan tour from the beginning of November 1933. During his tour in South India, the call of Quake-ridden Bihar became irresistible and he suspended his Harijan programme in favour of relief work in Bihar. During his sojourn in Bihar, the centre of gravity was shifted to Patna which will pass down to history on account of memorable events like the acceptance of the revival of Swaraj Party and the suspending of individual Civil Disobedience. |

Press about the nature of the discussion or about the views of individuals has any relation to accuracy.

"The object of the Conference is merely to take stock of the existing political situation with a view to clarify the immediate issue which requires to be discussed at a further meeting before any definite decision is reached and publicly announced.

"Mr. Gandhi will be invited to consider the result of the deliberations before any further steps are taken.

"At this stage it would suffice to say that, as a result of consultations with various friends throughout the country, Dr. B. C. Roy and Dr. Ansari took the initiative in inviting the restricted number of friends who wanted to meet for interchange of views.

"All views received or known to the organisers which relate to the immediate problem have been classified and there is no fear of any view being overlooked."

The following is the official statement of the Conference held on the 1st. April.

"The Conference reassembled at 9-30 in the morning and resumed discussion. After an exhaustive examination of the present political situation in the country the general opinion of the Conference was embodied in the following conclusions:—

"(1) In the opinion of the Conference the All-India Swaraj Party, which has been in abeyance, should be revived in order to enable Congressmen who are not offering individual civil resistance to undertake through an organisation constructive programme as contemplated in the Poona Settlement.

"(2) In the opinion of this Conference it is imperative for this party to take up the Government challenge in relation to the forthcoming election to the Legislative Assembly to secure the election of its candidates on the following issues:

"(a) To implement the country's mandate to get all repressive laws repealed;

"(b) To reject the proposal contained in the White Paper and to get them replaced by the National Demand on the lines indicated by Mr. Gandhi at the Round Table Conference so that the country may reaffirm its confidence in the Indian National Congress.

"The conclusions of the Conference will be placed before Mr. Gandhi for his consideration and advice."

PROVISIONAL COMMITTEE

A Provisional Committee with Dr. Ansari as President was appointed to draw up the constitution and programme of work which would be placed before a larger meeting of Congressmen from all parts of the country at an early date.

Ansari—Ray—Desai Conference with Gandhi

The following statement was issued jointly by Dr. Ansari, Dr. Bidhan Roy and Mr. Bhulabhai Desai from Patna on the 8th. April:—

"We arrived at Patna on the morning of the 4th instant, and were able to confer with Mahatma Gandhi as regards the conclusions arrived at by the Delhi Conference. Notwithstanding the immense strain he had gone through, considering the importance of the matter, he discussed with us, for over three hours, the various aspects of the revival of the Swarajya Party. The matter was again discussed today with Mahatmaji in the morning and in the afternoon and the result of the discussions is now embodied in the following letter addressed by Mahatmaji to Dr. Ansari. The letter is as follows:—

Mahatma's Letter to Dr. Ansari

"It was good of you, Bhulabhai and Dr. Bidhan Roy to come all the way to Patna to discuss the resolutions arrived at recently at the informal meeting of some Congressmen and ascertain my opinion on them. I have no hesitation in welcoming the revival of the Swarajya Party and the decision of the meeting to take part in the forthcoming elections to the Assembly which you tell me is about to be dissolved.

"My views on the utility of legislatures in the present state are well-known. They remain on the whole what they were in 1920, but I feel that it is not only right but it is the duty of every Congressman who for some reason or other does not want to or cannot take part in the Civil resistance and who has faith in entry into legislatures to seek entry and form combinations in order to prosecute the programme which he or they believe to be in the interests of the country.

"Consistently with my view above mentioned I shall be at the disposal of the Party at all times and render such assistance as it is in my power to give".

Mahatma Suspends Civil Disobedience

Subsequently, on the 7th April, Mahatma Gandhi issued a lengthy statement suspending civil resistance for Swaraj as distinguished from specific grievances. The statement "inter alia" said :—

"Introspection prompted by conversation with Ashram inmates has led me to the conclusion that I must advise all Congressmen to suspend civil resistance for Swaraj as distinguished from specific grievances. They should leave it to me alone. It should be resumed by others in my life time only under my direction unless one arises claiming to know the science better than I do.

"Indifferent civil resistance of many, grand as it has been in result, has not touched the heart either of the terrorists or of the rulers as a class".

In conclusion, Gandhiji called upon the workers to devote their time in nation-building activities, supporting communal unity and removal of untouchability.

In handing over the statement to the Press, Mahatma Gandhi said :—

"This statement was drafted by me on my day of silence at Sabarsa, that is, Easter Monday, the 2nd instant. I passed it on to Rajendra Babu and then it was circulated among friends who were present. The original draft has undergone considerable revision. It is also abridged. But in essence it remains as it was on Monday. I regret I have not been able to show this to all friends and colleagues with whom I would have been delighted to share it. But as I had no doubt whatsoever about the soundness of my decision and as I knew that the Civil Resistance of some friends was imminent, I was not prepared to take the risk of delaying publication by waiting for the opinion of friends. The decision and every word of the statement are in answer to intense introspection, searching of the heart and waiting upon God. The decision carries with it reflection upon no single individual. It is a humble admission of my own limitations and a due sense of tremendous responsibility that I carried on my shoulders all these long years".

The following is Mr. Gandhi's statement :—

"This statement owes its inspiration to a personal chat with inmates and associates of the Satyagraha Ashram, who have just come out of prison and whom, at Rajendra Babu's instance, I sent to Bihar. More especially is it due to a revealing information I got in the course of a conversation about a valued companion of long standing, who was found reluctant to perform the full prison task, preferring his private studies to the allotted task. This was undoubtedly contrary to the rules of Satyagraha. More than the imperfection of a friend whom I love more than ever it brought home to me my own imperfection. The friend said he had thought I was aware of his weakness. I was blind. Blindness in a leader was unpardonable. I saw at once that I must, for the time being, remain the sole representative of civil resistance in action,

During the informal conference week at Poona in July last I had stated that while many individual civil resisters would be welcome, even one was sufficient to keep alive the message of "Satyagraha". Now after much searching of the heart, I have arrived at the conclusion that in the present circumstances only one, and that myself, and no other should, for the time being, bear the responsibility of civil resistance, if it is to succeed as a means of achieving Purna Swaraj.

ADULTERATION OF SATYAGRAHA

I feel the masses have not received the full message of Satyagraha, owing to its adulteration in the process of transmission. It has become clear to me that spiritual instruments suffer in their potency when their use is taught through non-spiritual media. Spiritual messages are self-propagating. The reaction of the masses throughout the Harijan tour has been the latest forcible illustration of what I mean. The splendid response of the masses has been spontaneous. Workers themselves were amazed at the attendance and fervour of the vast masses, whom they had never reached.

Satyagraha is purely a spiritual weapon. It may be used for what may appear to be mundane ends and through men and women who do not understand its spirituality provided the director knows that the weapon is spiritual. Everyone cannot use surgical instruments. Many may use them, if there is an expert behind

them, directing their use. I claim to be the Satyagraha expert in the making. I have need to be far more careful than the expert surgeon, who is a complete master of his science. I am still a humble searcher. The very nature of this science of Satyagraha precludes the student from seeing more than the step immediately in front of him.

Introspection prompted by conversation with the Ashram inmates has led me to the conclusion that I must advise all Congressmen to suspend Civil Resistance for Swaraj as distinguished from specific grievances. They should leave it to me alone. It should be resumed by others in my life time only under my direction, unless one arises claiming to know the science better than I do and inspires confidence.

I give this opinion as the author and initiator of Satyagraha. Henceforth, therefore, all who have been impelled for Swaraj under my advice, directly given or indirectly inferred, will please desist from Civil Resistance. I am quite convinced that this is the best course in the interests of India's fight for freedom.

TRUE SATYAGRAHA

I am in deadly earnest about this greatest of weapons at the disposal of mankind. It is claimed for Satyagraha that it is the complete substitute for violence or war. It is designed, therefore, to reach the hearts both of the so-called Terrorists and of the rulers who seek to root out Terrorists by emasculating the whole nation. But indifferent civil resistance of many, grand as it has been in its result, has not touched the hearts either of the Terrorists or the rulers as a class. Unadulterated Satyagraha must touch the hearts of both. To test the truth of the proposition, Satyagraha needs to be confined to one qualified person at a time. A trial has never been made. It must be made now. Let me caution the reader against mistaking Satyagraha for mere civil resistance. It covers much more than civil resistance. It means relentless search for truth and power that such search gives to the searcher. The search can only be pursued by strictly non-violent means.

What are the civil resisters, thus freed, to do, if they are to be ready for the call whenever it comes? They must learn the art and beauty of self-denial and voluntary poverty. They must engage themselves in nation-building activities, spread Khaddar through personal hand-spinning and hand-weaving, spread communal unity of hearts by irreproachable personal conduct towards one another in every walk of life, banishing Untouchability in every shape or form in one's own persons, spread total abstinence from intoxicating drinks and drugs by personal contact with individual addicts and generally by cultivating personal purity. These are services which provide maintenance of the poor man's scale. Those for whom the poor man's scale is not feasible should find a place in small unorganised industries of national importance which give a better wage. Let it be understood that civil resistance is for those who know and perform the duty of voluntary obedience of law and authority.

It is hardly necessary to say that in issuing the statement I am in no way usurping the function of the Congress. Mine is a mere advice to those who look to me for guidance in matters of Satyagraha.

THE "HINDU" ON SWARAJ PARTY REVIVAL

In this connection the following informing article of the "Hindu" of Madras dated 6th April, under caption "Gandhiji approves" will be of interest to the reader :—

The statement issued by Dr. Ansari and his colleagues, describing the results of their conference with Gandhiji, will be received with supreme satisfaction in the country. Though carping criticism of the Delhi decision to revive the Swaraj Party has not been lacking from quarters which are wont to regard themselves as exclusive custodians of Congress honour and prestige, the very cordial and widespread welcome which has been given to that decision, as may be seen from press reports, shows how keenly the country desires that the Congress and Congressmen should again take their rightful place in the fight for freedom. Gandhiji, who is no worshipper of prestige but a consummate judge of affairs, who can read the nation's pulse as no one else can, realises the intensity of this feeling and has not hesitated to acknowledge it. He observes : "I have no hesitation in welcoming the

revival of the Swaraj Party and the decision of the (Delhi) meeting to take part in the forthcoming elections to the Assembly." To those who had, for reasons best known to themselves, hoped that Gandhiji would either denounce the Delhi decision or, at the least, take up a coolly non-committal attitude, this cordiality may come as a painful surprise; while those who have so long pleaded for the resumption of constructive political activity by the most progressive and powerful body of opinion in the country must feel profoundly gratified that Gandhiji has not contended himself with blessing the Delhi decision but has promised that, consistently with his well-known views on civil disobedience and on the utility of the legislatures in India as she is now circumstanced, he would "be at the disposal of the Party at all times and render such assistance as it is in my power to give."

It will be recalled that in his statement explaining the Poona decisions Gandhiji had, referring to the question of entering the existing legislatures, observed, "I can give no decisive opinion on this question as I can on civil disobedience. My head reels at the very thought of entering the Councils for the sake of winning independence..... They have no temptation for me." At the same time, he clearly foresaw that the large bulk of Congressmen would not take part in civil disobedience and he urged them to engage themselves in the various branches of constructive work. "No branch of national activity," he said, "must be untouched by the Congress," and it was the duty of Congressmen who did not take part in civil disobedience to "regard themselves as national servants, dedicating their talents for the nation's welfare, and not engaging in any activity, private or public, that may be in conflict with national interest". If this constructive work has not made much headway, that has been due partly to the fact that the suspension of Congress organisations deprived Congressmen of the machinery that is essential for prosecuting such aims. Besides, owing to the abstention of the Congress from the legislatures and the consequent weakening of those bodies, not only could no progress be made in the positive task of nation-building, but enormous harm has been done by the removal of all wholesome check on executive arbitrariness and greed for power. The events of the past few months—it will suffice to instance the egregious Bengal Criminal Law Amendment Act passed by an effete Council—have strongly emphasised the truth of these contentions, and Gandhiji, with his usual fair-mindedness, no doubt sees their force. He concedes that those Congressmen who do not propose to take part in civil disobedience and have faith in the legislatures have a positive duty cast upon them in the present circumstances, "to seek entry (into the Councils) and form combinations in order to prosecute the programme which they believe to be in the interest of the country". It will, thus, be impossible to claim his high authority for the proposition, which has been advanced in some circles, that to contest the Assembly elections or in any other way to take part in that political work which is the *raison d'être* of such an organisation as the Congress, would be to engage in an activity that "may be in conflict with national interest".

From this there follows a corollary which we have every reason to hope Gandhiji will not refuse to face squarely. If normal political action to enforce the National Demand and press for the repeal of repressive laws, is recognised to be not merely permissible but obligatory on those who believe in such action, it stands to reason that their power effectively to serve the country's interests must be enormously enhanced, should the Congress place itself in a position in which it can accord them the fullest support. The right to refuse allegiance to any law which one considers unjust and submit to the penalties attaching so such disobedience is inherent in every one, whether Congressman or not. That being so, is it worth while for the Congress to stick to the Poona formula about individual civil disobedience, especially as on the one hand it has been practically inoperative, and on the other, formal abandonment of it should secure for the new political movement the services of well-tried and trusted leaders and make it the prelude to the achievement of abiding national unity? The leaders who waited on Gandhiji at Patna have, we have no doubt, pressed all these considerations on Gandhiji and we have every hope that he will see his way to advise the Congress accordingly.

The reorientation of Congress policy, which is now practically accomplished, offers the Government yet another opportunity of putting themselves right with Indian opinion and paving the way for a new era of co-operation. So long ago as December 1932 Sir Samuel Hoare exhorted the Indian delegation to the third R. T. C. "to go back to India and tell every section of Indian opinion that there is opportunity for their help and that we need their help". The course of Govern-

mental policy since those words were uttered has furnished little practical proof of this desire for renewed co-operation ; the obsession with prestige, which was responsible for the refusal of the Viceroy to see Gandhiji in July last, was typical of a mentality which has been all too dominant in the counsels of the Government. The decision of Congressmen to resort to normal political action should make the Government realise the need for a corresponding change in their attitude if they want India to believe that they really desire her co-operation. Our Delhi correspondent stated the other day that official circles there welcomed the prospect of Congressmen contesting the Assembly elections. We hope that this is correct and that it also reflects the mind of His Majesty's Government. They cannot give a clearer proof of their oftrepeated professions of fidelity to democratic tradition than by making it possible for an effective Opposition to come into existence. Most of the prominent Congress leaders, having suffered imprisonment, are under a technical disability in the matter of seeking election to the legislature. It is obvious that the Government should forthwith remove this disability, since no moral turpitude is involved, so that the people may have an unfettered choice in selecting their representatives.

In another article under caption "The Government's Duty" dated the 10th April 1934, the same paper wrote :—

Now that Gandhiji has advised the abandonment of civil disobedience by Congressmen the question naturally arises as to what is the next step to be taken to end the present impasse and who should take it. Congress circles, as will be seen from our Calcutta correspondent's message published yesterday, hold that the Government should take the initiative and remove the ban on Congress organisations. Official opinion seems, however, to incline to the view that it is the Congress that must make the next move. It is no doubt true that neither the Congress nor the All-India Congress Committee has been declared an unlawful body. But all the Working Committees and other provincial organisations have been so declared. Now, the Congress has, of course, the authority formally to revise its policy. But so long as the ban on provincial Congress organisations remains, it would be impossible to summon a plenary session of the Congress in which all shades of Congress opinion would be adequately represented, since the delegates to the plenary session have to be elected by provincial bodies which are now *functi officio* owing to the Government ban. In view of the obvious desirability of giving the fullest freedom to the Congress to discuss both the positive and the negative aspects of its policy and programme in the immediate future it is necessary that the Government should lift the ban, especially as there are genuine doubts entertained whether the All-India Congress Committee will be allowed to meet for considering such questions. Sir Harry Haig, defending in the Assembly in April last the banning of the Calcutta Congress session, observed that the Congress, as an organisation, had not been banned as "such action would have gone far beyond the requirements of the case," but he went on to add, "The Congress cannot expect to lend its name, its authority and its resources to an unlawful movement and at the same time to retain all its privileges as a constitutional body." In order to set at rest legitimate doubts as to whether this cryptic observation might not be used to hamper Congress activities intended to give binding effect to Gandhiji's decision, the Government must formally revoke the ban on Congress organisations, in accordance with the undertaking which was implied in this other statement of Sir Harry's made in the same speech : "If we had any clear assurance that the object of the Congress session was to call off the civil disobedience movement, the position might have been different."

Such a clear assurance has been given by Gandhiji in his statement made last Saturday. Though that statement is technically "advice" to the Congress, it is a practical certainty that it will be accepted by the Congress, as his 'advice' to the Working Committee to recommend civil disobedience was accepted by that body in January 1932. In fact, Congress leaders are even prepared, according to a Calcutta message published elsewhere, to go so far as to summon an informal meeting of those members of that Working Committee as are free to meet, with a view to ratifying the new decision regarding civil disobedience. Some of the members are, however, still in jail, and the identical Committee that passed the original resolution of January 1932 cannot now revoke it unless these members are set at large. Now that there is clear evidence of the Congress intention to change its attitude towards civil disobedience, it logically follows from the position taken up by the Government in regard to the repeated appeal for the release of political prisoners, that such release cannot be delayed much longer. If, in order to enable the Government to release

political prisoners *en masse*, it is considered that the Congress, either directly or through its executive bodies, should formally revoke the original Working Committee resolution, it is plain that it can do so only if the ban on Congress organisations is lifted.

When the position is so clear, it is a matter for regret that disingenuous attempts should be made to confuse the issue with a view to perpetuating the present impasse, in some quarters which are loud in their professions of a desire to end it. The *Madras Mail* for instance, makes the sinister suggestion that the Government should not raise the ban on Congress organisations, on a pretext which will not stand a moment's scrutiny. It argues that Gandhiji has not advised complete abandonment of civil disobedience, but only the suspension of it, and that he would reserve the right to offer civil disobedience for the redress of particular wrongs. Those who argue thus ignore the fact that the Working Committee's decision taken in January 1932 was to adopt civil disobedience as a political instrument for the purpose of securing the repeal of repressive Ordinances and enforcing the National Demand. It was in no way concerned with civil disobedience as a weapon available to the individual or the mass in offering resistance to particular laws which are felt to be unjust and particular wrongs for which it is held that there is no other remedy. This kind of civil resistance is a right inherent in every citizen, a natural rather than a legal right, there is no need to reserve it expressly and it is obvious that no expression of intention to forego it for all time, however sincere it might be on the part of the individual, could prevent him from changing his mind later, should he at any time feel that circumstances had changed, just as it would be futile for any political organisation to give such an undertaking on behalf of the mass of its following since there might be as many reasons found for violating such an undertaking as the number of individuals who would compose the mass. Sir Harry Haig clearly recognised the absurdity of demanding any such undertaking when he stated some months ago, in reply to questions in the Assembly, that the Government did not wish the Congress to forswear civil disobedience for all eternity. They are indeed more Royalist than the King who want that the Congress should undertake that civil disobedience shall not be offered by any body in any conceivable circumstances or under any provocation.

We trust that the Government will not allow themselves to be entangled in these sophistries, or persist in an intransigent attitude under the mistaken impression that Gandhiji's decision represents a climb-down and that it has been brought about solely by the Government's display of strength. It is, as *The Manchester Guardian* points out, unnecessary to join in the game of guessing whether Gandhiji or the Congress leaders in Delhi "spoke first." The fact remains that Congress opinion is now definitely in favour of a change of political method and programme which opens the way for its co-operation anew in the task of finally shaping the new constitution and working it. The Government have unvaryingly professed a desire to secure this co-operation, but pleaded that they could take no steps in this behalf so long as the Congress was wedded to what they maintained were unconstitutional methods. This plea is no longer available, and a duty is therefore cast upon the Government to bespeak the active support of that large body of public opinion for which the Congress stands. *The Manchester Guardian* observes that the Congress leaders' decision calls for "an answering gesture by Britain." We would only add that such a gesture would be also sound policy and as much in Britain's interests as in India's.

Government Attitude towards Congress

Attempts made at this time at the elucidation of the Government attitude regarding the Congress showed that up till now neither the Congress nor the A. I. C. C. had been declared illegal. The Government had only prevented their meeting. The Government will not now do so to enable these bodies to decide the issue of Civil Disobedience. The only Congress body, which was unlawful, was the Congress Working Committee. The Government did not propose to cancel the notification yet, but whether the Committee meets formally or informally the Government will ignore the legal position and let the Committee meet.

In the Assembly

On the 16th. April, in the Assembly, *Sir Harry Haig* announced that the Government would raise no obstacles to the meeting of the All India Congress Com-

mittee or of the Congress for ratifying Mr. Gandhi's new policy and that if, as a result, civil disobedience was called off, the Government would review their policy with regard to Congress organisations and release of prisoners would be expedited.

Mr. Ranga Iyer asked : "Have the Government considered the advisability of taking immediate steps for the release of Civil Disobedience prisoners after ratification of Mr. Gandhi's abandonment of Civil Disobedience by the Congress Working Committee ? If so, are the Government prepared to make a declaration of their policy in the matter ? Are the Government prepared to remove ban on the Congress Working Committee in order to enable it to hold a meeting to consider ratification of Mr. Gandhi's decision ?

Mr. Lalchand Navalrai asked : Has the attention of the Government been drawn to the decision of Mr. Gandhi suspending individual Civil Disobedience for Swaraj and leaving Council entry open to the desire of Congressmen ? If so, do the Government propose to review their attitude towards the Congress and revise their own policy behind various notifications suppressing Congress activities ? If not, why not ? If so, how far do they propose to proceed in the matter ? Do the Government propose to declare the A. I. C. C. a lawful body ? If not, why not ?

Sir Harry Haig replied to both the questions together and said : "The Government propose to raise no obstacle to a meeting of the A. I. C. C. or, if Congress leaders so prefer, of the Indian National Congress for the purpose of ratifying the statement of policy recently made by Mr. Gandhi and calling off Civil Disobedience

"If such a meeting is held and if the Government are satisfied that, as a result of the meeting, Civil Disobedience has been called off, the Government will certainly review their policy towards various Congress organisations.

"With reference to the question of release of prisoners who have been convicted of offences connected with Civil Disobedience, I would remind the House that I explained in August last that the Local Governments had been releasing Civil Disobedience prisoners before the expiration of their sentences if they were satisfied that such releases were not likely to encourage revival of Civil Disobedience. That is a policy which the Government intend to continue. If Civil Disobedience is called off effectively the policy of release will naturally be expedited."

Mr. Ranga Iyer : I thought I missed the Hon. Member's answer to my question whether the Government are prepared to remove the ban on the Congress Working Committee.

Sir Harry Haig : I must apologise to my hon. friend, but since he asked this question the particular point about which he enquires does not seem to have come into practical prominence. If the idea is that the Congress Working Committee should be the body to call off civil disobedience then the Government will certainly be prepared to consider giving the necessary authorisation for that purpose. But if, as seems more probable, all that is contemplated is that there should be an informal meeting of members of the Congress Working Committee in order to consider the policy to be placed before the All India Congress Committee then no action on the part of the Government is required.

Mr. Lalchand Navalrai : May I know whether the hon. member realises that the Working Committee must first of all meet in order to pave the way for calling a Congress or All India Congress Committee meeting ?

Sir Harry Haig : Well, Sir, I think I have dealt with the point fully in my answer to Mr. Ranga Iyer.

Mr. Ranga Iyer : Isn't it a fact that a ban exists on the Congress Working Committee ?

Sir Harry Haig : Formally it does, but I say that, as far as I can see no occasion will arise for a formal removal of it.

In the Council of State

An similar statement was made on the same day by *Mr. M. G. Hallet*, Home Secretary in the Council of State in answer to short notice questions of *Lala Jagadish Prasad* and *Mr. V. V. Kalikar*.

Mr. Hallet informed the House that the Government proposed to raise no obstacles to a meeting of the All-India Congress Committee or, if the Congress leaders so preferred, of the Indian National Congress for the purpose of ratifying the statement of policy recently made by Mr. Gandhi and calling off Civil Disobedience. If such a meeting was held and if the Government were satisfied that, as a result of the meeting civil disobedience had been called off, the Government would certainly review their policy towards various Congress organisations.

Mr. Kalikar suggested a revision of the Government proposed to raise no civil disobedience prisoners and release them in order to consider Mr. Gandhi's statement and the proposals of the newly formed Swaraj Party.

Mr. Hallett replied :—“With reference to the question of release of prisoners who have been convinced of offences connected with civil disobedience, the Home Member (Sir Harry Haig) explained in the Assembly in August last that the local Governments had been releasing civil disobedience prisoners before the expiry of their sentences if they were satisfied that such releases were not likely to encourage the revival of civil disobedience. That is a policy which the Government intend to continue. If civil disobedience is called off effectively the policy of release will naturally be expedited.”

In the House of Commons

In the House of Commons, on the same day, *Mr. Bernays* asked whether the Government of India, following Mr. Gandhi's announcement ending civil disobedience, would grant amnesty to all political prisoners.

Sir Samuel Hoare recalled that local Governments in the past year has been releasing Civil Disobedience prisoners before the expiration of sentences when they were satisfied that the release would not likely to encourage revival of the movement. As a result a number of prisoners since the end of April 1932 when it amounted approximately 32,500 had fallen at the end of the last month, to 1,450, of which over 600 was from Bombay.

“If civil disobedience comes to an end, I hope, if will be possible to expedite releases. This statement refers only to civil disobedience prisoners and not terrorists and persons convicted of sedition.”

Genesis of the Revival of Swaraj Party

[Dr. Ansari's Statement

Dr. M. A. Ansari, in a statement to the press issued from New Delhi on the 27th April said :—“Since the day it was decided at Delhi that the Swarajya Party should be revived and more particularly from the moment Mr. Gandhi's approval and support had been published much has been written and said about it both in India and England. Mr. Gandhi's momentous decision relating to Satyagraha and Civil Resistance and his advice to the Congressmen met with a chorus of approval throughout the length and breadth of the country. All this was fully expected.

“In so far as the revival of the Swarajya Party is concerned, some issues have been raised which require to be clarified. The history of the origin and conduct of the Swarajya Party from 1922 to 1930 are too well known to require repetition. I am aware of no resolution of the Indian National Congress about dissolving the Swarajya Party at any time, though there are a series of them which recognise its existence at first as a minority and then majority party of Congressmen which had its own constitution and its own individuality and am aware of no resolution of the Swarajya Party by which it, at any time, was dissolved. It, however, remained in abeyance from 1930 to 31st March 1934 when it was decided to revive it.

“By sheer force of logic those Congressmen who are for this revival must meet to appoint its office-bearers and revise its constitution to suit existing conditions and formulate its policy and programme of work. From the day of its inception it was a party of Congressmen and from the first day of its existence it sought recognition and approval of its policy and programme by the Congress. After the Belgaum session of the Congress it was actually authorised to represent the Indian National Congress in the legislatures.

“It is therefore futile to suggest that there is any new departure about its revival. It had existed all time and now the Ranchi Conference is convened primarily to take the necessary steps to make it a pulsating and living organisation.

“One of its essential aims has been to seek from the All-India Congress Committee the approval and support which had been vouchsafed to it by Mr. Gandhi and which it enjoyed in the past. I need say no more about the policy and programme of the party as they will eventually emerge from the Ranchi Conference. But I would request all my Congress colleagues not to prejudge any issue. Let me assure them that the ideals of the Congress are sacred to the Swarajya Party and Swarsjists will leave nothing undone to vindicate them even as they have done in the past.

"I must say a word about our inability to change the date of the Ranchi Conference. All difficulties have already been pointed out in the Press statement issued yesterday from the Secretariat. It is left to me now to make a personal appeal. For reasons of health I am bound to go abroad on the 24th May. The meeting of the A. I. C. C. on the 18th and 19th May will hardly leave me any time to do if the Swarajist Conference does not meet in the first week of May at Ranchi. That is where we shall have the advantage of Mahatmaji's advice. I feel it is my duty to complete all spade work before leaving India which means that the Swarajya Party must be in full working trim. We have to be in complete readiness against any emergency. If the Government dissolve the Assembly we shall have only a few months before us and not a day can be lost and if they do not we shall have a year or more to work in constituencies. In either case our organisation must be in fighting trim.

"The re-assembled Congress organisation will have to distribute its constructive and instructive work to the different departments and I would suggest autonomy to all these departments within their spheres as Mr. Gandhi proposed at Lahore. I earnestly hope that this will set all controversies at rest and all Congressmen will unite in a spirit of helpful co-operation and do their duty by our Motherland according to our lights."

Bengal Swarajists Meet at Calcutta

Prior to the holding of the Swarajya Party Conference at Ranchi, a fairly large number of Bengal Congressmen met at the residence of Mr. Nalini Ranjan Sarkar at Calcutta on the 29th April in order to prepare a programme to be presented on their behalf to the coming Ranchi Conference. Dr. B. C. Roy presided and prominent among those present, who numbered about 60, were Messrs. S. C. Mitra, T. C. Goswami, Naliniranjan Sarkar, Kiranshankar Ray, Kumar of Narajole, S. K. Roy Chowdhury and Jalaluddin Hashemi.

Dr. Roy gave a detailed history of the Swarajya Party from the days of the late C. R. Das. He placed before the meeting two points on which he invited their opinions, namely, first, before the removal by the Congress of the ban on Council entry whether it would be advisable for the Swarajya Party to take further steps, and secondly, whether the programme of the Swarajya Party should be controlled by the A. I. C. C., itself or there should be a separate organisation, like the All-India Spinners' Association or the Hindustan Seva Dal, under the aegis of the Congress.

Individual members gave out their views and asked several questions which were answered by Dr. Roy. The meeting unanimously requested Dr. Roy to include in the programme of the party, questions regarding treatment of political prisoners in general including deportees and detenues and Andaman prisoners and their repatriation to their respective provinces. The question was also raised whether the declaration of fundamental rights, as incorporated in the Karachi Congress, should not be affirmed by the Swarajya Party. It was decided that it was unnecessary, as every member of the Swarajya Party must also be a Congress member. Some members raised the question that there being no prospect of election either to the Provincial Councils or the Assembly, what should be the immediate programme of the Party.

Dr. Roy replied that there would be opportunity for the Party to organise in villages and take up other constructive work of the Congress, which was now in suspension. It was decided that a large contingent from Bengal should attend the Ranchi conference.

The general feeling among the members was that the programme should be devised irrespective of whether the Assembly's life was extended or not. Bengal leaders would urge the inclusion, in the Swaraj Party programme, of the release of political prisoners and detenus, opposition to the policy of Imperial Preference and formulation of an economic policy with a view to develop the resources of the country and provide employment for the people and reduce the import of foreign manufactures. The programme would aim at organisation of the Party in all centres in India, with a view to capture both the Central and Provincial legislative seats.

Another section of Congressmen held a meeting at the Albert Hall in the afternoon and passed a resolution to the effect that there was no need for the revival of the Swarajya Party but if the Congress decided to revise the policy and support council entry, it should be done by the A. I. C. C. to be ratified by a special session of the Congress.

The Swarajya Party Conference.

RANCHI—2nd. and 3rd. MAY 1934.

Amidst scenes of great enthusiasm, nearly a hundred Congressmen representing all provinces met in conference at Ranchi on the 2nd. May 1934, to implement the Delhi Conference decision. The Conference opened at half past three in the afternoon.

Among those present were Mr. Bhulabhai Desai (Bombay), Mr. C. Rajagopalachari and Mr. S. Satyamurti (Madras), Mr. Asaf Ali (Delhi), Mr. Munshi (Bombay), Mr. Sherwani (U. P.), Mr. Khaliquzzaman (U. P.) and Mr. T. C. Goswami (Bengal), Mr. K. T. Shah (Bombay), Mrs. Naidu (Bombay), Messrs S. C. Mitra and Bijoy Kumar Roy Chowdhury (Bengal), Jitendranath Das Gupta (Bengal) Krishna Roy (Bengal), Charu Chandra Ghosh (N. W. F. P.), Kalabarun Ghosh (Bengal), Sushil Kumar Banerji (Bengal), V. Satyanandan Pratap (U. P.), Sushil Kumar Roy Chowdhury and Nariman (Bombay), Sushil Kumar Chowdhury (Bengal), P. M. Naidu (Nagpur), Janendranath Bose (Bengal), Abinash Bhattacharjee (Bengal), Dr. B. C. Roy (Bengal), Captain N. N. Dutt, Messrs. Upen Bose, Pratap Guha Roy, Ramsunder Sinha, Gopendralal Roy and Haridas Chakravarty (Bengal), Mahomed Jafri (Delhi), Neki Ram Sharma (Punjab), Ashrafuddin Ahmed Chowdhury, Abul Mansoor Ahmed, Habirurrahman Chowdhury, Abdul Maleh, Dewan Obaidullah, Syed Abdul Karim, A. Waseque, and A. Rahman Chaudhury (Bengal), Salik Ram Tandan (U. P.) Deep Narayan Singh (Bihar), Kushal Chand and Mrs. Kale (C. P.), Messrs. Kiran Shankar Roy, Bijay Kumar Das Gupta, and Akhil Chandra Dutta (Bengal), R. K. Sidhuwa (Sind), H. D. Mazumdar, Nagendranath Das and Syed Jalaluddin Hashemi (Bengal), R. V. Dhulekar (Bombay), V. P. Jani (U. P.), Manmohan Chatterjee (Lahore), B. N. Varma (U. P.), Changanlal Bharuka (C. P.), Abdul Aleem (Delhi), G. V. Subbaroyan (Andhra), J. Mukhoore, (Rajputana), Gopinath Srivastava, J. Saxena and Gopal Narain Saxena (U. P.), Ganga Singh (Burma), Dhinkar Rao Dhrama (Rajputana), Asimuddin Ahmed, Kazi Shamsuddin and Basanti Kumar Mazumdar (Bengal), Jimut Bahan Sen (Bihar) and Prafulla Chandra Mitra (Bengal), the Raja of Narajole and Mrs. Agatha Harrison.

On the motion of Dr. Bidhan Chandra Roy, Dr. M. A. Ansari was unanimously voted to the chair. Dr. Ansari, in opening the proceedings of the meeting, delivered a brief address. He appealed to the Conference to keep secret the whole proceedings and appealed to pressmen to submit their "copy" to him and his colleagues, before wiring it out. The following was reported by the "Hindu" of Madras.

Dr. Ansari welcoming the delegates said : Ladies and gentlemen ! I must thank you all for responding to our invitation to this Conference, which you have done at great personal inconvenience. The country is passing through a great crisis and our only excuse for troubling you to travel long distances to participate in the deliberations of this Conference is the urgency of the problems with which the country is confronted to-day. Exactly a month ago, some of us met at Delhi to consider what steps should be taken by Congressmen to end the stalemate and the consequent political paralysis which had become the order of the day. After two careful deliberations, it was decided that, under the prevailing circumstances, nothing was left to us but to revive the Swaraj Party, provided we secured the approval of Mahatma Gandhi, who was the only authority on behalf of the Congress to whom we could refer our opinions. Congress organisations had been in abeyance for all intents and purposes for a considerable time and it was not possible for us to consult anyone who, today, is as great an authority as Mahatma Gandhi, on matters relating to the Congress. We, therefore, reached certain decisions, which were conveyed to Mahatma Gandhi by Messrs. Bidhan Roy, Bhulabhai Desai and

myself personally. It did not take Mahatma Gandhi longer than half an hour to come to a definite decision in consequence of which, he gave me the historic letter which encouraged us to call this Conference here to formulate the programme and policy of those Congressmen, who subscribe to the aims and objects of the Swarajya Party, with a view to placing the same before the A. I. C. C. for its approval.

We did not feel called upon to make this Conference larger than it is for the simple reason that it was intended to be a deliberative and businesslike assembly, whose first object should be to formulate definite proposals to submit to the A. I. C. C. The purpose and policy we have in view demand that we should be in a position to claim all prestige that the Indian National Congress commands in the country as the premier practical organisation and for that purpose we felt that the best course would be to secure an early recognition of our party as an autonomous parliamentary section of the Congress, to implement the policy of the Congress in relation to the work in the legislatures and other elective institutions in the country.

"For the present, the Swarajya Party, in my opinion, should concentrate just on one front, namely, the dual policy of the Government. I feel that it is one of the demands of the present situation that we, on behalf of the Congress, should supply an effective reply to the repressive policy which the Government has relentlessly pursued to suppress the national spirit in the country and to register the country's verdict against monstrous proposals, which, in the guise of a representative constitution, are really intended to perpetuate the subjection of the Indian nation to Great Britain and bureaucracy. The opportunities we have under the existing electoral machinery to secure this result are undoubtedly extremely restricted, inasmuch as the electorate to the Assembly is confined to about fifteen lakhs of people, whereas the adult population of British India exceeds thirteen crores. I, however, feel that even through the limited opportunities we have, we can achieve considerable results in reflecting the minds of this electorate in regard to the two definite issues I have mentioned. That, in itself, will be an achievement which will be more easily understood in England and at the same time it will give us an opportunity of conducting a raging campaign throughout the country, which would be ineffectual, if it is robbed of its logical consequence of securing the election of those regarding whom it is claimed by Government that they speak in the name of the country in the Central Legislature.

"This is not all. What has happened in the country during the last month is a sufficient indication and earnest of the political results which may be expected in the future. Following the decisions taken by the Delhi Conference, Mahatma Gandhi, who is the best judge of the method, manner and time of conducting the Civil Resistance campaign, has pronounced his opinion and advice regarding Civil Resistance movement, which has been carried on by Congressmen. It is a political event of the first magnitude and it has naturally been followed by such furious thinking in the country and by political results which are calculated to have very far-reaching results and so far as we are concerned, all we can do is to accept Mahatma Gandhi's definition of Satyagraha and Civil Resistance, as coming from the only living expert on the subject and to abide by his advice.

"It is not my purpose to dwell on the political problems of the country to-day or to detain you any longer. This is the time for swift and methodical action and I would, therefore, like to set an example by inviting you, without any further delay, to proceed to business. The time before us is very short and we have much to do and, therefore, I would request you to prove your businesslike capacity by getting through the work as quickly as you can.

Mr. R. K. Sidhu wanted to know what was the purpose of the conference. If their decisions were going to be the subject of ratification by the All-India Congress Committee, what then was the use of holding a meeting now?

Dr. Ansari replied that if the A. I. C. C.'s decision went against their proposal, it would be time enough for them to reconsider the position in the light of the existing situation then.

Resolutions

1. Approval of Delhi Decision

Chowdhuri Khaliquzzuman then moved that the Conference do approve of the Delhi Conference resolutions reviving the Swarajya Party and contesting of the Assembly elections on the issues of the rejection of the White Paper and the

summoning of a Constituent Assembly, for preparing the national demand and for repealing the repressive laws. The mover drew attention to the acceptance of their challenge by the Government and pointed out that it was now up to them to stand up and show that the entire country was with them.

The President then ruled out three amendments as negative in character.

Mr. K. F. Nariman thereafter spoke for about twenty minutes questioning the validity of the resolution, in face of the Lahore Congress resolution, banning Council-entry. He thought that as long as the resolution of a plenary session of the Congress remained, it was not open to any Congressman to disobey the Congress mandate, until it was annulled by another plenary session. The Lahore Congress had provided for Council-boycott for all time to come. Were they going to co-operate with those who wanted Congress prestige to fall? It had been said that Mahatma Gandhi had blessed them. It might be so, but so far as he was concerned, even a Mahatma's blessings could be no substitute for a Congress resolution. When he said this, he was not obsessed by any spirit of obstruction, but wanted, indeed, to know what was the object behind the promoters' mind. He would ask that the present resolution should not be considered now, because by virtue of the Congress resolution, the Swaraj Party had to be disbanded. Could they now revive the Swarajya Party without Congress sanction? For himself, he had an open mind and he would abide by the Congress mandate. He questioned the wisdom of proceeding with the revival of the Party in the absence of Congress lead to that effect. Concluding, Mr. Nariman urged that applications of the resolution were disloyalty to the Congress.

Mr. K. F. Nariman moved an amendment: "provided the item about Assembly entry shall come only after the approval and sanction of the plenary session of the Congress." Mr. Nariman raised a constitutional issue and opined that sanction of plenary session of the Congress was necessary before the Lahore resolution could be rescinded.

Mr. Asaf Ali replied that there was hardly much in the constitutional point raised by Mr. Nariman. The Karachi Congress resolution had considerably modified the spirit of the Lahore resolution. If the A. I. C. C. felt that it was not competent to accord sanction it would be open to it to refer the matter to plenary session of the Congress.

Mr. Satyamurthi said that the mover of the amendment wanted "ad hoc" meeting of Congressmen to give anticipatory ruling which would be binding on its President and A. I. C. C. Mr. Nariman wanted to bind them hand and foot in advance.

Mr. Nariman's amendment was defeated, only four voting for it.

Mr. Sherwani moved an amendment: "These resolutions shall take effect immediately unless disapproved by the A. I. C. C.", which he ultimately withdrew.

Dr. Ansari, at this stage, made an impassioned speech in replying to Mr. Nariman. He could not understand the purpose of Mr. Nariman's arguments. They were passing resolutions, which claimed to be no more than recommendations for adoption by the All-India Congress Committee. "Nothing was farther from our mind, indeed nothing is farther from our mind", continued Dr. Ansari, "than to bring down the prestige of the Congress. We are no less loyal to the Congress cause than Mr. Nariman and those of his kind, who have been flooding the country with interviews. They should not forget that we were the first to ask for an All-India Congress Committee meeting for sanction being accorded to the revival of the Swarajya Party. Indeed, one of the resolutions which will be placed before you will definitely put off the formal working of the party, till after the Patna meeting of the All-India Congress Committee. Why all this doubt? Why all this suspicion? All of us, like Mr. Nariman, have suffered for the country's cause and have gone to jail. All of us are loyal to the core".

Mr. Sherwani, supporting the resolution, questioned the accuracy of Mr. Nariman's statement. He asked whether Mr. Nariman had forgotten that time was when the Swaraj Party existed in spite of the Congress. He should not also forget that even if they were repeating history, they were doing so under the lead of Mahatma Gandhi. An open session of the Congress was not feasible at the present moment. Mr. Nariman knew that it was impossible to hold a plenary session for at least three months more. Why then should he resort to these tactics?

Mr. Satyamurti made a fighting speech in further replying to Mr. Nariman. Referring to Mr. Nariman's claim to an open mind, "What was an open mind?" asked Mr. Satyamurti. He regretted that the press was not allowed to report

proceedings, because it had prevented the press from reporting that impassioned speech of Dr. Ansari which deserved to be printed in characters of gold in all English and Vernacular papers. It was ridiculous of Mr. Nariman to claim the sole monopoly for Congress loyalty. They were all Congressmen. Most of them constituted the All-India Congress Committee. Surely Mr. Nariman did not expect that they would sit with folded hands and await a Congress decision. After all, were they not to explain their position before the A. I. C. C.? Surely at Patna, unless some miracle happened on the banks of the Ganges, the Swarajist programme was going to be passed by the A. I. C. C. by an overwhelming majority. Mr. Nariman spoke of sacredness of Congress resolutions. He had almost made a fetish of it. Now by the order of Mahatma Gandhi. Civil Disobedience had been suspended in spite of the Congress resolution. Unless Mr. Nariman was going to revive Civil Resistance, there was not one man in the country who was going to resort to Civil Resistance against Mahatma Gandhi's lead.

Continuing, Mr. Satyamurti questioned the tactics of a demand for a plenary session of the Congress. It was a House of Commons method to shelve bills. There was no Congress organisation functioning at the present moment and it would take at least six months to revive their provincial, district, divisional, taluka and village Congress committees. Surely he did not expect that they would sit with folded hands for the next six months. In Delhi, they had issued a challenge, which had since been accepted by the Government. They were to reject the White Paper and get repressive laws repealed. They had to educate the country and the electorate. They must forge ahead in spite of Mr. Nariman. At the time of the birth of a child, they always discussed what name to give it, but Mr. Nariman asked them to discuss at what place that child could be buried. Instead of helping them to revive the Swaraj Party, Mr. Nariman was asking them whether they had any plan for its burial, in the event of the A. I. C. C. setting its face against the new party. That was strange logic. Mr. Satyamurti then read out the Congress constitution and pointed out that the A. I. C. C. was quite competent to speak for the Congress and give a lead.

Mr. Suren Moitra, further supporting the resolution, repudiated the contention that they were wanting to enter the legislature at the expense of a constructive programme.

Mr. R. Masani wanted a Socialist programme.

The President pointed out that this was not the occasion to discuss the matter but added that there was some Socialist programme in contemplation.

Mr. Masani : Is it so, Sir?

Dr. Ansari : Not as you may interpret it, but as we interpret it (Laughter).
The resolution was passed unanimously.

2. Relations with Congress

Dr. B. C. Roy then moved the adoption of the Party's constitution and explained its various details. He said that the constitution provided for a change, at a special meeting called for the purpose. He read out the clauses to dispel the misapprehension that the Swaraj Party was a rebel party. Dr. Roy reminded the house that it was distinctly laid down that on all broad policies, Swaraj Party should be guided by Congress organisation. In matters of internal administration and Party finance, the Party might not accept the Congress guidance. In matters of small detail, they might not accept Congress direction. In broad matters, they were bound to. When in small details the Congress thought that the Swaraj Party was wrong or the Swaraj Party thought that the Congress was wrong, it was open to the first to disaffiliate the latter and for the latter to secede, if necessary. Dr. Roy recalled that for all practical purposes, the proposed constitution was the same as the original Party constitution, with such changes as suited the exigencies of the present situation.

Mr. T. A. K. Sherwani seconded the resolution.

Dr. Kiran Shanker Roy, supporting, said that he had no doubt that each one of them could produce a better constitution, but he would ask them not to discover the defects before giving it a working trial (loud laughter and cheers).

Mr. K. M. Munshi, in whole-heartedly supporting Dr. Roy's motion, recalled that the Swaraj Party would be a parliamentary party under the Congress banner.

Mr. K. M. Munshi added that it should be apparent to any one, who studied the constitution that Swarajists wished nothing more than maintaining the link between

the Congress and themselves. He endorsed Dr. Roy's view that the constitution itself provided for loyalty to the Congress and to the lead given by it in matters of broad principles. Mr. Munshi further emphasised the provision laying down that all members of the A. I. C. C. of Swarajist persuasion would be eligible for membership of the Party's General Council. Continuing, Mr. Munshi recalled the great gusto with which certain quarters made a fetish of the so-called going back upon the Congress resolution. He and his comrades had consulted higher authorities than those responsible for these statements and were advised on those authorities that it was not necessary to go any further than they had already done in the matter.

Mr. P. Naidu of C. P. (Maharashtra) questioned the provision vesting in the President power to nominate members,

Mr. Asaf Ali then moved an amendment to clause II and suggested that the Swaraj Party should function as a Parliamentary mean of the Congress.

For want of a seconder, Mr. Asaf Ali's amendment fell through.

Another amendment, moved by another delegate, pleading for a Deputy President fell through likewise, for want of a seconder.

A third amendment suggesting a Socialist programme was defeated.

The constitution was unanimously passed.

Mr. T. C. Goswami moved that the resolution adopted by this Conference be not given effect to until they were approved of by the All-India Congress Committee,

It was seconded by Mr. K. M. Munshi, who, like the mover, reserved comments.

At this stage Mr. K. F. Nariman again raised his objection to the procedure suggested, for he was convinced that nothing less than a plenary session of the Congress could meet the exigencies of the situation and validate so fundamental a change as the one proposed. He declared that a large number of people all over the country were in perfect agreement with him. It would not do to brush aside the constitutional objections raised by them, simply because it suited the sponsors of this new move.

Mr. Asaf Ali, replying at length, recalled Mr. Nariman's attention to one defect in his argument. Mr. Asaf Ali declared that there were many an instance in Congress politics where the A. I. C. C. and the Working Committee had assumed Congress power and given a mandate on many essential matters. He instanced the case of the Gandhi-Irwin Agreement and said that most far-reaching decisions had been taken by the Working Committee, on whose authority alone Mahatma Gandhi with the approval of the nation, attended the Second Round Table Conference, as the sole delegate of the Indian National Congress. (Loud cheers).

Mr. Goswami's motion was then put and agreed. The House then adjourned.

Constitution of the Swarajya Party

Following is the constitution adopted by the Swarajya Party at the Conference on the 2nd. May :—

(1) The name of the Party shall be the Swarajya Party.

(2) The Swarajya Party shall be subject to the control and guidance of the Congress in all broad issues of the national policy.

(3) Every person, who is a member of the Congress and subscribes to the object of the constitution and programme of the Party, shall be eligible to be a member of the Party. Persons who are not members of the Party, but subscribe to the object, constitution and programme of the Party shall be eligible to be associates of the Party. They will be entitled to be present at all meetings of the Party and to express their views, but shall not be eligible for election, as members of the General Council of the Party and shall not have the right to vote at its meeting.

(4) The object of the Swarajya Party is the attainment of Swarajya by the people of India by all legitimate and peaceful means.

(5) Subscription : (a) Every member of the Party shall pay an annual subscription of annas four and associates shall pay an annual subscription of annas eight; (b) every provincial organisation may fix an additional annual subscription payable by its own members of the subordinate committees within its jurisdiction; (c) every member of the General Council shall pay an additional subscription of annas eight. General organisation : There shall be one Central and as many provincial organisations as there are provinces in India. The number of provinces and geographical limits of each shall, for the purpose of those articles, be the same as prescribed by the constitution of the Indian National Congress.

(6) Central organisation : The central organisation of the Swarajya Party shall consist of a General Council, an Executive Council and such special committees as the Central or Executive Council may, from time to time, appoint from among members of the Party.

(7) General Council : The General Council of the Swarajya Party shall consist of (a) all Swarajist members of the All-India Congress Committee, (b) members elected by each provincial organisation from among its members, in such a manner as the said organisation may determine, the number of such members for each province to be determined by the General Council from time to time ; (c) all Swarajist members of the Central Legislature ; and (d) Swarajist members of legislatures, the number of such members to be determined by the Central Council from time to time.

(8) The General Council shall hold office for one year from the date of its constitution, provided that every retiring member shall be eligible for fresh election, if he fulfils any one of the conditions mentioned in Article 7, provided that in case of a general election of members of the All-India Congress Committee or of legislatures, the members of the General Council, who fail to secure re-election, shall go out and those Swarajists who are newly elected will take their places.

(9) The General Council shall elect the following office-bearers : The President of the Party, the General Secretary, and the Treasurer ; provided that office-bearers, so elected, shall hold office for the term of the General Council and until a fresh election takes place.

(10) The General Council shall continue to function notwithstanding any vacancies in it, for the time being due to any cause whatever.

(11) The Executive Council shall consist of (a) the President, the General Secretary, Secretary and the Treasurer (ex-officio) ; (b) six representatives of provincial branches, ex-officio branches obtaining such representation are to be determined from time to time by the General Council ; (c) five persons to be nominated by the President from among members of the General Council ; and (d) ten members to be elected by the General Council from among its members and shall hold office for the term of the General Council provided that any vacancy among office-bearers or elected members of the Executive Council shall be filled by the President, pending due election of such office-bearers or elected members and if the President vacates office for any cause whatsoever, the General Secretary shall act in his place and perform his duties until another President is duly elected.

(12) The General Council shall have the jurisdiction, in all matters affecting the party, its policy, programme and organisation, with plenary and disciplinary powers over all members of the Party and may frame rules for its own guidance and issue instructions for (a) the guidance of Swarajist members of the legislature and (b) the general carrying out of the policy and programme of the Party throughout India.

(13) The Executive Council shall be the chief executive of the Party, with power to raise and disburse funds and authorise the office-bearers or any one or more of them to draw upon the Party funds for Party purposes.

(14) The Executive Council shall supervise the carrying out of all resolutions, rules and instructions issued by the General Council and take such steps as may be necessary to enforce the same.

(15) When the General Council cannot meet in time to dispose of any urgent matter requiring immediate decision, the Executive Committee shall have all the powers of the General Council and all resolutions passed and instructions issued by it shall be binding on all members and subordinate organisations, until such resolutions and instructions are modified or superseded by the General Council. Provided that all exercise of emergency powers under this article shall be reported to the General Council without delay.

(16) The President shall have the power to decide whether any matter is sufficiently urgent to be dealt with under article 15 and in matters of extreme urgency, give such direction as he thinks fit, pending its disposal by the Executive Committee under the said article.

(17) Every province shall have full autonomy in all provincial matters, including the carrying out of the programme of the Party and the organisation of provincial and other subordinate general and executive committees, subject always to the general policy of the Party and such instructions as may, from time to time, be issued by General or Executive Council of the Party in regard to such general policy or inter-provincial relations.

(18) A general meeting of the party shall be held, when summoned by the General Council at such time and place as it may determine.

(19) A meeting of the General Council shall be held when summoned by the Executive Council at such time and place as it may determine. Provided that a meeting of the General Council shall be held on requisition of not less than forty members, as soon as may be convenient after the said requisition is delivered to the General Secretary. Provided always that the said requisition shall clearly specify the motion to be made or subject to be discussed at such meeting. Provided further that the requisition may require the meeting of the General Council to be held at the time and place named by them and the said meetings shall be held at such time and place, unless the Executive Committee is of opinion that it should be held at a different time or place. In case of such difference of opinion, the question shall be decided in accordance with the opinion of the majority of provincial organisations.

(20) The Executive Council may be summoned by the President or by the General Secretary, as often may be necessary.

(21) The quorum for a meeting of the General Council shall be forty and for that of the Executive Council eight.

(22) Notices of meeting shall be valid if (a) in the case of a meeting of the Party, a notice specifying the time and place is published in at least one newspaper of each province, not less than four weeks before the date of the meeting; (b) in the case of a meeting of the General Council, notice specifying the time and place is posted to each member, not less than two weeks before the date of the meeting, and (c), in the case of a meeting of the Executive Committee, if notice specifying the time and place is either posted not less than one week or telegraphed not less than three days before the date of the meeting.

(23) The General Council shall be the Subjects Committee for general meetings of the Party.

(24) The accounts of the Party shall be audited once every year by an auditor, to be elected by the General Council and published for information of the members of the Party and the public.

(25) This constitution shall not be modified or added to except at a meeting of the General Council, specially called for the purpose and then, only if a majority of not less than two-thirds of those present are in favour of such modification or addition.

(26) All Swarajist members present at this Conference shall form the first General Council of the Swarajya Party and hold office until a General Council under articles 7 and 8 has been duly constituted. The first meeting of the General Council under this constitution shall be held on 3rd May, 1934, or on such date to which it may be adjourned and shall be deemed to be properly constituted by such members as are present at Ranchi, notwithstanding the want of notice to others or the absence of elections by provincial organisations and of members of the legislature. At this meeting the President of the Party will be elected. The President will nominate members of the Executive Council of the party, not exceeding twenty-four, until the Executive Council is constituted under Article 11 of the constitution.

SECOND DAY—RANCHI—3rd. MAY 1934

Policy & Programme of the Party

At to-day's meeting of Conference which met at 8 a. m. the official policy and programme of the Party was adopted. The policy and programme of the party as finally adopted on the motion of *Dr. B. C. Roy* read as follow :

The Swaraj Party declares that the guiding principle of the Party is self-reliance in all activities which make for the healthy interests which impedes the nation's progress towards Purna Swaraj and in giving effect to the said principles the Party resolves to adopt the following programme :

(a) To secure the repeal of all acts and regulations which have been enacted or promulgated with a view to impede the healthy growth of the nation and speedy attainment of Purna Swaraj.

(b) To secure the release of all political prisoners detained without trial or conviction and to secure the restoration of all properties lost or forfeited for political reasons and to urge the abandonment of Andamans as a penal settlement.

(c) To resist all acts and proposals for legislative enactments which may be calculated to exploit the country.

(d) To move resolutions and introduce and support measures and bills which are necessary for the healthy growth of national life and the consequent displacement of the bureaucracy.

(e) To secure such administrative economies particularly in the spending departments of the Government like that of defence and of public debt as would substantially reduce the burden of Government.

(f) To follow a definite economic policy which would prevent the drain of the wealth of the country and the exploitation of one class by another and in particular to prevent or oppose any form of Imperial Preference.

(g) To organise an economic life conformable to the principle of justice, to the end that every worker may be assured a decent living.

(h) To safeguard the interests of workers industrial and agricultural and to secure for them by suitable legislation and in other ways a living wage, healthy conditions of work, limited hours of labour, suitable machinery for the settlement of disputes between employers and workers, landlords and tenants, protection against the economic consequences of old age, sickness and unemployment and adequate provision for women during maternity period.

(i) To free Labour from all serfdom and conditions bordering on serfdom

(j) To secure the rights for peasants and workers to form unions to protect their interests.

(k) To regulate currency and exchange solely in the national interest.

(l) To secure relief from agricultural indebtedness.

(m) To work for inter-communal unity with a view to bringing about a complete understanding between Hindus, Mahomedans, Sikhs, Parsis, Jews, Indian Christians, (including domiciled Anglo-Indian) and all other communities living in India more specially the removal of the disputes and differences between Hindus and Mahomedans and Brabmins and Non-Brahmins.

(n) To bring about the removal of Untouchability and the raising of the so-called depressed classes.

(o) To work for village organisation.

(p) To acquire the economic control of the country including the development of commerce and industry.

(q) To acquire the control of Nationalist over local and municipal affairs by contesting elections to Local and Municipal Boards in the several provinces.

(r) To carry out the constructive programme of the Congress in such a manner as it thinks necessary.

(s) To organise the agencies of foreign propaganda for Indian affairs with special reference to the dissemination of accurate information and the securing of the support of foreign countries in the country's struggle for Swaraj.

SOCIALIST AMENDMENT DEFEATED

The resolution embodying the programme was described by Dr. Bidhan Chandra Roy, its mover, as embodying the largest measure of agreement. It was passed unanimously, but during the discussion, the only occasion when some debate arose was when Mr. Massani moved an amendment urging the party to undertake the "organization of peasants and workers for the purpose of participating in the struggle against Imperialism and Indian vested interests allied with them."

Mr. Massani described that programme without such addition as one of social reform and not of Socialism. The amendment was rejected without further debate by 40 votes to 26.

3. Resolution on White Paper

That the Communal Award formed the chief bone of contention was apparent from the fact that the Conference had to adjourn in order to enable informal discussion to take place. Bengal delegates wished to reject the Award while the draft prepared by leaders aimed at deferring the consideration of a suitable communal settlement until the constituent Assembly was called,

The Conference adjourned for fifteen minutes to enable informal discussion regarding the White Paper. The informal talks lasted for an hour and a half after which Mr. Bulabhai Desai moved with a forceful speech a resolution on the White Paper and Communal Award. The resolution ran as follows:

"Whereas this Conference is of opinion that the proposals of His Majesty's Government for the new constitution for the Government of India contained in the

White Paper are considered as a whole not only a negation of the National Demand made by Mr. Gandhi on behalf of the Congress at the Second R. T. C. and calculated to perpetuate the political subjection and economic exploitation of the Indian people, this Conference resolves that the Swarajya Party should take all necessary steps to secure the rejection of these proposals by the country.

"This Conference claims for India, in common with other nations, the right of self-determination and is of opinion that the only method of applying that principle is to convene a Constituent Assembly representative of all sections of the Indian people to frame an acceptable constitution.

"The Conference is further of opinion that a consideration of the acceptance or rejection of the mode and proportion of representation as contained in the Communal Award is premature at this stage. The time for considering the same will arrive when the Constituent Assembly is convened."

After a discussion which lasted for hours, the Conference agreed to the resolution on White Paper. Mr. Bhulabhai Desai who moved and Dr. B. C. Roy, Mr. Asaf Ali, Mr. Goswami, Mr. Satyanurty and Mr. Nariman who supported the resolution urged the need for the rejection of the White Paper and its replacement by the National Demand.

Moving the resolution Mr. Bhulabhai Desai deplored the unnatural manner in which some of them dealt with the national problems. He pleaded for a national outlook unhampered by religion, caste or race. In view of the object before them, Mr. Desai would appeal to the conference not to raise a side-issue or controversy. Mr. Desai declared that his recent experience in Europe was that India was looked upon as a conglomeration of the various people who did not understand one another's mind. It was up to them to give a fitting reply to the European view.

Mr. Desai thought that in India there was far less diversity than in America which was supposed to be the most democratic country in Europe. He deplored Indian inability to present a united front. Mr. Desai adverted to the White Paper proposals and warned his countrymen against the inferiority complex sought to be imposed on them. Appealing to his countrymen to get over petty sentiments and words he emphasised the central idea, namely, the rejection of the White Paper. Mr. Desai begged of his hearers not to think in terms of a province or community. He denied that the recent movement was a policy of negation and destruction and averred that Non-co-operation was constructive in so far as it helped to raise the National consciousness. Mr. Desai added, "If it is our determination not to be ruled by a foreign nation, it is upto us to guard ourselves against the mistakes of the past which have helped this subjection."

Proceeding, Mr. Desai characterised as hybrid the new innovation of joint and separate electorates in politics and emphasised the need for the maintenance of unity and homogeneity. Mr. Desai urged that united Swarajists unconcerned with communal bias should create a new nucleus and pave the way for a Constituent Assembly.

Mr Desai traced the story of the self-determination idea from the days of the War and referred to Gandhiji's co-operation and declared that self determination was being replaced by British determination in the form of the White Paper proposals. If they rejected the British determination they must seek for self-determination which was provided for in the draft resolution. Mr. Desai warned against smaller and sectional thinking which always interfered with their national life. God was one and the same. Why should community of faith divide instead of unite them. Mr. Desai said, amidst cheers, that he was confident they would be able to force on their opponents the acceptance of the proposals for a Constituent Assembly.

Mr. Desai said the Government's proposals took away more than they gave. He contested the view that they had followed the path of negation and that the constructive policy of the Congress was alone constructive. The programme of civil disobedience was constructive because the real work was rousing the national consciousness so as to be able to assert the national voice in the framing of the national constitution. Any constitution to be acceptable to them must be framed by their own representatives through a Constituent Assembly. It was not a question of a mere phrase. Let that Assembly be constituted in a spirit of generosity. The phrases, Separate Electorate and joint Electorate, were new phrases. India was one and let them not think in terms of disunity but of unity and homogeneity which existed as a fact. Let the Swaraj Party

form the nucleus of that life which would create conditions in which the Constituent Assembly would be possible.

Mr. Gandhi and India lent help in the War to win self-determination for all. Instead we have got British determination in the shape of the White Paper. These great men, great I admit intellectually, went to London to secure the maximum measure of agreement, but they forgot when there were two parties the maximum of agreement is always the minimum of agreement. These eminent jurists, lawyers and persons, professing to be Nationalists, did not pause to examine the basis of their own position. The British claimed to be the trustees of the Indian people. Where they did not agree there was no agreement. Where they pretended to agree it was not self-determination, but British determination. It is for the reason that the need arises for a Constituent Assembly whose proposals will be voluntarily accepted by those who govern us."

Mr. Desai continued: "Isn't it time we began to search our hearts whether we are not the instrument of our own subjection? It is not merely a question of rejection of a constitution which is being forced on us. There is the sorry and tragic history of men who, when they went from here, said they did not represent anyone except themselves, not even their own family, but it allowed themselves in due course to be developed into national representatives. That is the sorry and tragic history behind the White Paper proposals.

Continuing, Mr. Desai said repression had done the evil purpose of temporary inactivity, but it was clear too that Government had broken faith with its own henchmen. Mr. Desai said the resolution aimed at creating a common platform of Indian people. They were influenced by the one single purpose of the national unity. For the moment that unity was to be expressed on the issue before the country, namely the forth-coming constitution. He appealed to them not to discuss the matter in a manner which would raise any controversy. Of all the sins of omission and commission for which India was responsible none was greater than their surrender into the hands of others on the basis of the so-called differences in faiths and creeds. Massalini's answers about U. S. A., which had more diversity of languages and faith than any other country applied to India, namely, that a nation was judged by the community of political and economic interest bound by a geographical area. India had all this and more. Her ties of relationship and kinship were stronger than in any other country and yet not on a single issue of national interest could they present a united front.

Mr. Desai finally referred to the clause relating to Communal Award and said time was not now to see who would get a little more or a little less. All their efforts must be directed towards creating conditions under which the Constituent Assembly would be called. Religion was not meant for promoting political controversy or securing political adjustment. Let there be community of faith under the Fatherhood of the same God. Neverbefore in the world had been witnessed a communal spectacle. He ended, "If we call ourselves Nationalists, and we can describe ourselves by no other name, then we should frame for voluntary acceptance of the Government proposals adopted by a Constituent Assembly of our own."

Mr. Desai's speech, which Mrs. Naidu described as one of the best she had heard, had a considerable effect on the audience and led to the unanimous adoption of the resolution.

Mr. Asaf Ali, seconding the resolution, laid stress on the need of the hour, namely, that their judgment should not go by default. He, therefore, urged that the verdict of the nation should be obtained over this vital issue.

Dr. B. C. Roy, supporting, complimented Mr. Desai on his success in raising the level of the debate and added that the resolution in his opinion should be passed unanimously lest otherwise they should play into the hands of their foes who were only waiting for an opportunity to detect disunity and division. Dr. Roy emphasised that the rejection of the White Paper should be accompanied by constructive proposals. Dr. Roy quoted other authorities to show that the White Paper, far from being an improvement, was actually worse than the present constitution. Dr. Roy referred to the Communal Award and said that naturally enough that matter should be gone into at the constituent Assembly. While recognising the existence of a difference of opinion as regards the resolution Dr. Roy made an impassioned appeal that the central idea moving them must be communal harmony.

Mr. T. C. Goswami, further supporting the motion, spoke with great emotion and expressed pride that they were now pulsating with life. The Award had been responsible for a good deal of demoralisation in the land. Mr. Goswami declared

that the object of their revival was the revival of political life. Mr. Goswami hoped that the Swaraj Party would be a living factor in Indian political life. He said that the gaining of a few Assembly seats was the least part of their programme. Mr. Goswami characterised the resolution as an urge for a great moral purpose of national importance calculated to elevate their national life.

Mr. R. K. Sidhu was confident that, by carrying out the resolution, they would be marching toward their goal.

Mrs. Zutshi in a Hindi speech dilated on the need for utility and for doing away with the ordinances.

Mr. K. F. Nariman wholeheartedly and unreservedly supported the resolution and urged the conference to realise the implications of the resolution and called upon the President to inaugurate a campaign against the White Paper immediately and to carry the message to every home throughout the length and breadth of India. Mr. Nariman referred to "the unsettlement of a settled fact" by the announcement of the partition of Bengal and opined that a countrywide campaign was bound to kill the White Paper.

Mr. Satyamurti characterised the resolution as the most important resolution at the Conference. He defended Mahatma Gandhi's position at the Round Table Conference and pointed out that when the Mahatma's unanswerable case for the transference of the Army had not been opposed by Sir Samuel Hoare or Mr. MacDonald it was left to the Rt. Hon. Srinivasa Sastri to urge its non-transference. Mr. Satyamurti condemned the White Paper because (1) it set a number of law-making autocrats, (2) it perpetuated nomination by putting in the nominees of the Government in the shape of Princes, (3) it sought to perpetuate their economic servitude. Mr. Satyamurti said some people said that Mr. Gandhi did not categorically state the national demand but if they looked at his speech at the Round Table Conference they would find that Mr. Gandhi made out an unanswerable case on behalf of the nation.

Mr. Satyamurti said that the White Paper was foisted on the country not only by the British but by certain Indians who were party thereto at the R. T. C. The constitution embodied in the White Paper was worse than the present bad constitution. At present only the Viceroy could issue an ordinance but the White Paper extended that power even to Governors. The Federation was absolutely unworkable and the Constitution reactionary. All sorts of ingenious safeguards which human brain could evolve were incorporated in the White Paper. As regards the economic exploitation they were giving an insolvent Federation to the insolvent Provinces and were going to mortgage the revenues of the country and by taxation were making it ruinous for the people. The clause about Commercial Discrimination would impede industrial development. There was no sign of freedom from economic exploitation. "Let us shed no tears on the burial of the White Paper. It should be unwept, unsung and unhonoured. He thought going to the Councils was as patriotic as going to jail and it would not be fair to brand those who wished to enter the Council as second class politicians and they should not point a finger of scorn at them."

Mr. Deep Narain Singh supported the resolution. The Party was being revived under the aegis of the Congress and they would not be secessionists, but would form parliamentary wing of the Congress. They should not place too much confidence in sweeping the polls and should work hard for winning the elections.

The resolution was then adopted unanimously and the conference dissolved.

The meeting of the General Council of the Party followed, at which Dr. Roy proposed and Mr. Desai seconded the election of Dr. Ansari as President.

Dr. Ansari, thanking them for the election, said that he was conscious of limitations. He was going out of the country for a few months for reasons of health. He hoped he would return in time to help them in the election campaign (Voices : We want you in the Assembly to lead us.)

The Swaraj Party and the Congress

Pandit Malaviya's Suggestion

Pandit Madan Mohan Malaviga, in the course of a statement issued from Lahore on the 9th May, urging the need for an open session of the Congress, said that the A.I.C.C. should decide to convene the Congress session that will not stand in the way of any work which may be required immediately. Such work can be carried on under

the A.I.C.C.'s authority in anticipation of the Congress sanction. Pt. Malaviya considers that the Congress session should be held at Delhi in the first week of July but should there be any great difficulty in doing so he would invite it to be held at Benares. The Congress will give its seal of approval to the suspension of Civil Disobedience as a means of attaining Swaraj, lift the ban on entering Councils laid down at the Lahore Congress, define the sphere of action of the Parliamentary Party of the Congress in the legislature and in relation to it and make clear that the rest of the work that has been mentioned in the Swarajist Conference resolution be carried out as now by the Congress organisation as a whole.

Pt. Malaviya also considers that the Swarajya party resolution on the White Paper will require to be carefully considered by the A. I. C. C. He does not think that it deals satisfactorily with the Communal Award and says that the Award with its steel frame of separate electorates is obviously framed to keep us divided and therefore, in unending subjection. All the Indians who desire freedom should unite in unhesitatingly condemning it. "Let the Congress boldly declare," says Pt. Malaviya, "that no constitution is worth having, which is not based on joint electorates pure and simple." It is highly encouraging that Hindu minorities of Bengal, Punjab and N. W. F. P. have declared themselves in favour of joint electorates and are prepared to willingly place themselves under the Muslim majorities in these provinces, with a view to build up a genuine democracy on the basis of joint electorates. My recent visit to Peshawar has convinced me that if those of us, who call ourselves Nationalists, will have the courage to speak with sufficient clearness and frequency, before the general public on the evils of the present system, we shall find rapidly a growing body of opinion in favour of joint electorates even among Mussalmans.

Concluding Pt. Malaviya points out that the Swarajya Party meeting has also been called for the 8th instant at Patna and hopes that consultations of members of the new party and A. I. C. C. will enable them to arrive at decisions acceptable to all and help them to fight their best for the freedom of the country. He also earnestly hopes that they would resolve to carry out a nation-wide campaign to bring home to the people the necessity of joint electorates as the foundation and support of government of the people, for the people and by the people.

In the course of his remarks relating to the Communal Award, Pandit Malaviya observes : "We should remember that the White Paper scheme has two obvious objects. The first is to grant India the form and other paraphernalia of responsible Government, but to retain all the power in the hands of the representatives of Great Britain. The second is to so lay the foundation of the Indian constitution that popular Self-Government or Responsible Government can never be built on it and that India shall not obtain even that independence which is indicated by Dominion Status, for as long a time as one can see. If the Communal Award stands, every class and creed in the country will be organised under it as a separate political community to scramble for its own interests in the legislatures in disregard of the interests of the people as a whole. The atmosphere will forbid the growth of mutual confidence amongst legislatures and public men any where this is lacking the tree of Self-Government cannot take root."

Pandit Malaviya quotes from the Montford Report to support his condemnation of separate electorates and concludes : "Though it agreed to the Lucknow Pact, the Congress has always stood for joint electorates. They were the essence of the Nehru Report and of the scheme of communal agreement which was adopted by the Working Committee at Bombay three years ago and which was laid by Mahatma Gandhi before the Round Table Conference. Dr. Ansari and I had the honour of taking part in framing it. It still holds the field in the Congress world. Let the Congress boldly declare that no constitution is worth having which is not based on joint electorates, pure and simple."

Dr. Ansari's Reply to Malaviya

In reply to above Dr. M. A. Ansari in a statement to the Press issued from New Delhi on the 13th. May said :—

"The publication of the recent comprehensive statement of Pandit Malaviya on the political situation relating to the Congress and the Swarajya Party makes it necessary for me to state the position of the Swarajya Party in relation to Congress. A reference to my speech at Ranchi Conference and the publication of the resolutions passed at the Conference, though unauthorised will make it perfectly clear that the Swarajya Party aspires to occupy the identical position which Pandit

Malaviya assigned to the Parliamentary Committee of the Congress in his statement. In so far as the function, policy and programme are concerned, there is nothing in them to suggest that the Swarajya Party in any way sought to claim a position distinct and separate from the Congress. On the other hand, the first article of its proposed constitution definitely lays down that it shall be subject to the control and guidance of the Congress. Therefore, there seems to be no apparent difference between Pandit Malaviya and myself on this point.

"The Congress as a whole has plenty of powers of control, discipline and supervising over all special organisations which it sets up from time to time to deal with specific subjects. But, within special spheres of work assigned to these organisations, which really function as special departments of the Congress it must, of necessity, invest them with autonomous powers in their day to day work. It is only in this sense that the Swarajya Party would like to be autonomous. The comprehensive programme which the Swarajya Party proposed does not for a moment either infringe or overlap any of the activities of the Congress. It is supplementary. If the Swarajya Party is to represent the Congress in the legislatures and Municipalities, it naturally must define the scope of its undertaking.

"If and when the Congress organisation begins to function as it used to under normal circumstances the sphere of Congress activities outside the Legislatures and its Parliamentary Wings, the Swarajya Party inside the Legislatures, must be the same. There should be no misgivings or doubts on this point. At present we are not likely to require more than 115 Congressmen to contest the seats for the Assembly. How many of those will succeed will depend on the work of the hundreds of thousands of Congressmen and the spirit which their work may create among the electorates and the country. All these hundreds of thousands of Congressmen, while pursuing their instructive and constructive activities in the usual way will incidentally also help in securing the election of Congress candidates to the Assembly.

"Pandit Malaviya rightly said that there is a vast difference between the Swarajya Party of 1923 and the revived party of to-day. We have benefitted by the lesson of the past years and have fully realised that the best results cannot be achieved by wasting time in needless controversies among pro-changers and no-changers. Pandit Malaviya, no doubt, with a view to achieve this result, emphasised the necessity of summoning a session of the Congress and it appears a similar desire has inspired the views of the Socialist Groups of Bombay, United Provinces and other provinces.

"I am absolutely certain that neither Pandit Malaviya nor the Socialist Groups would insist on anything which may frustrate the very object we have in view. I must therefore draw the attention of those who insist on summoning a session of the Indian National Congress for the purpose, that elections to the Assembly are likely to take place sometime in November next and from now onwards there is not a moment to be lost either in suspense or even in a show of uncertainty which may be exploited by others in conducting their election campaign. Candidates have to be nominated immediately and they must have the fullest support of the Congress from now, without allowing their rivals to take advantage of any indecision. Even if all technical difficulties of the enrolment of four anna members of the Congress, the election of District and Provincial Committees, of the members of the A. I. C. C. and of the delegates to the Congress session are overcome, the session of the Congress cannot possibly be convened before the end of September if the ban on the Congress organisation is raised immediately after the Patna meeting.

"The A. I. C. C., the Executive of the Congress, is perfectly competent to deal with emergencies and here we are faced with an emergency which will not brook any delay. I therefore see absolutely no reason why the A. I. C. C. should not dispose of the problem which relates to this emergency definitely and finally at Patna. I am all for summoning a session of the Congress for drawing up a comprehensive programme of constructive activities as soon as it may be possible. But if the A. I. C. C. abdicates its authority and refuses to deal with this emergency, it will be tantamount to a refusal to recognise the urgency of the situation. Blated decisions in these matters would lead to extremely undesirable results and failure. It would be extremely unwise to run any such risk.

"The Swarajya Party has been revived at a time when the Congress organisation had been paralysed by repressive laws and when political activities were more or less at a standstill. Mahatma Gandhi's advice as regards Civil Resistance, however, has revived reasonable expectations of the reorganisation of the Congress.

"With reference to the Socialist Group I need say no more than that the programme of the Swarajya Party is based on the Karachi resolution which still holds the field. It is open to the Socialist Group to extend the scope of the Karachi resolution in good time. But it would be a tragedy if, in the hope of extending the scope of the Karachi resolution to their heart's content, they lose sight of the present emergency and aim at a result which may indirectly mean sabotaging the election campaign of the Swarajya Party on behalf of the Congress.

"To-day the electorate to which the Congress has to appeal for votes consists only of about 15 lakhs of people mainly drawn from confirmed bourgeoisie class. It would be bad tactics, to say the least of it, to allow any confusion of issues at this stage. The object of the Swarajya Party is to secure the verdict of the country in favour of a Constituent Assembly for the repudiation of the White Paper Constitution and the unmistakable condemnation of the repressive policy of the Government. I have no doubt in my mind that the proper time for raising the issues which the Socialist Group has in view will arise when it may be possible to appeal to a larger electorate later on. At the present we should concentrate on storming the citadel of autocracy. Whatever else may or may not be achieved by the Swarajya Party, I may be permitted to claim on behalf of the Swarajya Party that it has made possible for the country to think and discuss political problems which had ceased to engage the active attention of Congressmen."

The Indian National Congress

PROCEEDINGS OF THE WORKING COMMITTEE

The Working Committee of the Indian National Congress met at Pilikothi, Patna on May 18, 19 and 20, 1934. *Mahatma Gandhi*, and in his absence, Mrs. *Sarojini Naidu* presided. The following members were present:—

1. Mahatma Gandhi (Chairman), 2. Maulana Abul Kalam Azad, 3. Dr. M. A. Ansari, 4. B. Rajendra Prasad, 5. Mrs. Sarojini Naidu, 6. Seth Jamnalal Bajaj, 7. Mr. M. S. Aney, 8. Mr. K. F. Nariman, 9. Sardar Sardul Singh Caveeshar, 10. Dr. Syed Mahmud.

Pandit Madan Mohan Malaviya attended the meeting by special invitation.

The following resolutions were passed:

1. CONDOLENCES

Vide resolution I of A. I. C. C. supra.

2. SUSPENSION OF CIVIL RESISTANCE

Vide resolution II of A. I. C. C. supra.

3. CONGRESS PARLIAMENTARY BOARD

Vide resolution III of A. I. C. C. supra,

Note: The resolution passed by the A. I. C. C. and the Working Committee was the same except that for the words, "candidates as" occurring in the last para of the resolution as originally adopted by the Working Committee, the words, "Congressmen as candidates who" were substituted by the A. I. C. C.

4. SYMPATHY FOR TEXTILE WORKERS

The Working Committee sympathises with the Textile workers who are on strike in Bombay, Nagpur, Sholapur, Delhi and other places in the sufferings and privations which they have undergone and are undergoing and hopes that the employers will take early steps to give satisfaction to and arrive at an equitable settlement with the workers.

5. DUTY OF CONGRESSMEN

The Working Committee invites the attention of all Congressmen to the resolution of the All India Congress Committee adopted at Patna on May 18, 1934 accepting Mahatma Gandhi's advice regarding suspension of civil resistance contained in his statement dated April 7, 1934, and calls upon all Congressmen loyally to abide by the said resolution.

6. CONGRESS REORGANISATION

In modification of the instructions issued by the Acting President at Poona in July 1933, all Congressmen are hereby called upon to reorganise all Congress Committees for the purpose of carrying on normal Congress activities.

7. ENROLMENT AND ELECTIONS

(a) All Congress organisations are called upon to enrol members and complete the elections to the various Committees before August 31, 1934.

(b) The newly constituted Provincial Committees shall suggest to the Reception Committee to be formed at Bombay, names for the Presidentship of the ensuing Session of the Indian National Congress on or before September 15, 1934.

8. ACTING CHAIRMAN

Resolved that Seth Jamnalal Bajaj shall act as Chairman of the Working Committee and exercise all the powers of the President till the ensuing session of the Congress.

9. ORGANIZERS

Resolved that the work of reorganizing Congress Committees be entrusted to the following persons with full powers on behalf of the Working Committee, in the areas respectively shown against their names :—

(a) Bengal, Assam, Berar and Orissa—Syt. M. S. Aney, (b) Behar—Syt. Rajendra Prasad, (c) United Provinces—Systs. Gobindballabh Pant, Mohanlal Saksena and Purshottamdas Tandon, (d) Delhi, Punjab and N.W.F.—Sardar Sardul Singh Caveeshar, (e) Rajputana—Dr. Syed Mahmud, (f) C. P. Hindusthani—Seth Govind Das, (g) C. P. Marathi—Syt. M. V. Abhyanker, (h) Bombay—Syt. K. F. Nariman (i) Gujarat—Dr. Chandulal M. Desai, (j) Karnatak and Maharashtra—Syt. Gangadhar Rao Deshpande, (k) Sind—Dr. Choithram P. Gidwani, (l) Tamil Nad, Andhra and Kerala—Syt. A. Rajagopalachar.

THE ALL-INDIA CONGRESS COMMITTEE

PATNA—18th. & 19th. MAY 1934

The All-India Congress Committee met in the compound of the Radhika Singha Library Building at Patna on the 18th. May 1934. The wide enclosure that had been put up was capable of accommodating only two thousand but actually about 5,000 got entrance. A record gathering of visitors from all parts of India was present and included a fair sprinkling of ladies, many of whom belonging to Bihar temporarily cast off their purdah in order to have an opportunity of witnessing Mahatma Gandhi take part in Congress proceedings.

The dais was occupied by members of the Working Committee of the National Congress and Mr. Bhulabhai Desai, Mr. and Mrs. Munshi, Mr. Tricundas and Mr. Amir Sheriat of Phulwari Sheriff, a well known Muslim divine of Bihar.

Mahatma Gandhi was given an ovation as he entered the enclosure and seated himself in the centre.

Pandit Madan Mohan Malaviya was voted to the chair as President-elect of the abortive Calcutta Congress, he having been arrested and prevented from taking part in the proceedings.

1. Condolences

Pandit Malaviya moved the first resolution from the Chair which was passed, the entire audience standing. The resolution expressed condolence on the deaths of the following who had been either office-bearers or members of the A. I. C. C. :—Mr. J. M. Sen Gupta : Mr. Vithalbhai Patel, Ex-General Secretary ; Sir Sankaran Nair, Ex-President ; Mr. Hassan Imam, Ex-president ; Mr. A. Rangaswami Iyengar, Ex-General Secretary ; Mr. Phulchand Shah (Gujerat), Mr. Lalit Mohan Das (Bengal) Mr. Lakshindhar Sharma (Assam), Mr. A. K. Gulam Jilani, (Bengal), Mr. Shamal Nehru (U.P.), Mr. Syed Zahoorul Hasan Hashmi (Bhagalpur), Gokul Krishnan Roy (Purnea), and Mr. V. R. Salpekar (Chhindwara), members.

2. Suspension of Civil Disobedience

Dr. M. A. Ansari next moved the following resolution :—

"Having considered the statement, dated 7th April, 1934, of Mahatma Gandhi this Committee accepts his recommendation in regard to the suspension of Civil Disobedience."

Dr. Ansari described the resolution as one of historic importance and asked them to pass careful and thoughtful judgment thereon. Most of the leaders who had first looked at it from a critical eye had after all accepted it as a wise course. It was only a personality like that of Mr. Gandhi that was capable of such a great deed of confining struggle in the form of civil disobedience to his person. They should all support the Mahatma's action.

Babu Rajendra Prasad, seconding the resolution, said that after four years' fight by the Congress in Poona they changed from Mass Civil Disobedience to Individual Civil Disobedience and now they were confining that struggle to the person of a single individual. The Mahatma's statement had been circulated to them all and it was clear from it that the Mahatma did not state that he was going to launch Civil Disobedience himself today, to-morrow or at all, but that if and when he thought it fit he would launch it. To those who would say that this did not amount to the complete withdrawal of Civil Disobedience there was an opportunity to express themselves. Government too could, if it so wished, look at it from their own point of view. But the position of the Congress and Mr. Gandhi was clear for all to understand.

An interesting discussion followed.

The President, *Pandit Malaviya*, explained the implications of the resolution regarding the suspension of Civil Resistance in reply to several interrogators. He said the two activities, namely, Civil Disobedience and Council-entry, were not incompatible and could be run parallel to each other.

Pandit Krishna Kanta Malaviya moved the following amendment : "Having regard to the political situation which recently developed in the country the A. I. C. C. hereby suspends *sine die* Civil Disobedience so far as its objective is the attainment of Swaraj."

The resolution, said Pandit Krishna Kant, was a confession on their part that they were not fit to pursue Civil Disobedience and the sole authority for pursuing it was asked to be vested in Mr. Gandhi. He maintained that if Swaraj was attained, only through Mr. Gandhi's efforts, in which the nation had not a lot of share, they could not retain such Swaraj very long.

Mr. Basant Kumar Majumdar, supporting the resolution, said that they should accept Mr. Gandhi's command.

Mr. Sri Prakash of Benares moved an amendment approving the suspension of Civil Disobedience without committing themselves to the reasons therefor given by Mr. Gandhi and expressing anxiety at Mr. Gandhi's determination to bear the brunt of the struggle singlehanded and requesting him that when he restarted the movement he should take the country with him. He confessed that most of them, as frail human beings, could not stand the rigours of jail life and be entirely true to the principles of satyagraha, (Cheers). The country was exhausted. There was no harm in declaring that they were defeated. His chief anxiety was that Mr. Gandhi should not embark on another fast unto death.

Mr. Narbada Prasad supported Mr. Sri Prakash and expressed surprise that people due to whose indifference and weakness the battle had been lost were foremost in coming on to the platform and lionizing Mr. Gandhi. (Laughter and cheers).

Mr. Abid Ali Jafferbhoy of Bombay moved an amendment asking that Mr. Gandhi should not take the contemplated step. He asked, "If Gandhiji goes to jail again what will we do?"

Baba Gurdit Singh, seconding the amendment, asked if the resolution was passed where would be the fair name of the country in the eyes of the world.

Mr. Abhyankar (C: P) moved an amendment that Mr. Gandhi be called upon not to offer Civil Resistance without seeking the permission of the A. I. C. C. and, in a case of absolute emergency, with the permission of the Working Committee. He said that his amendment suggested a *via media* because he knew he could not win his point against Mr. Gandhi's influence. He wanted to ask straight questions and expected straight answers from Mr. Gandhi. He added, "We want Mr. Gandhi to lead us for our sake, because there is nobody to compete with him in leadership. Don't mix up politics with spiritualism nor spiritualism with politics. We have failed in the Civil Disobedience struggle and we cannot succeed if Mr. Gandhi is alone saddled with responsibility of Civil Disobedience. We went to jail and put pressure upon the Government to yield to our demands and not for purification. I wanted Mr. Satyamurti to second me but he said he must consult Dr. Ansari and later declined to join me. I think there is some bargaining behind the scene."

The President: "You are going beyond limits."

Mr. Abhyankar: "I apologise."

Mr. H. M. Chatterjee (Lahore) seconded and *Lala Durnichand* (Punjab) supporting the amendment said that they were not asking for a big thing but only wanted that Mr. Gandhi should respect the constitution of the Congress and take the A. I. C. C.'s and Working Committee's permission.

Mr. Ambikakantha Sinha (Bihar) moved an amendment asking for an open session of the Congress, to be convened to decide the matter.

Prof. Indra (Delhi) asked the members to have courage and tell Mr. Gandhi that if they considered Civil Disobedience a dangerous pit they would not be a party to Mr. Gandhi falling into it. Moreover, with Mr. Gandhi having such power the sword of uncertainty would keep hanging over their head and they would not be able to chalk out any programme; "for", he asked, "who would go into the Councils when the Mahatma was in jail?" (Hear, hear). He supported *Pandit Krishna Kant Malaviya* and *Mr. Abhyankar*.

Mr. Mahomed Islam felt that Mr. Gandhi should not risk his life.

Swami Govindananda said that this satyagraha should either be open to all or be stopped for all.

Mr. Sherwani divided the speakers into three categories ; (1) Those who felt that the resolution made their position awkward ; (2) those who did not want to be declared unfit after 4 years of the campaign ; (3) those who said that their satyagraha was political and not spiritual and that if Mr. Gandhi did not know that it was his fault. The speaker said that Mr. Gandhi had given them an opportunity for a respite. The honest course was for them either to accept that or say that they had been judged wrongly.

Dr. Ansari characterised Pandit Krishna Kant Malaviya's speech as sob stuff. He said that Mr. Gandhi's statement put the blame on no one. *Mr. Sri Prakash*'s amendment was the same as the Mahatma's desire, namely, to carry the country with him. As for Mr. Abhyankar's amendment it was unnecessary, as Mr. Gandhi had come before them for receiving sanction. He deprecated the suggestion that Swarajists supported Mr. Gandhi because of any understanding about reciprocal support. He added that there was no such understanding and the speaker assured them that the honour of the Congress and the cause of the country were too dear to him and to Mahatmajji to be sold for material considerations.

Mahatma Gandhi then addressed the audience in Hindi. In the course of his speech, he said :—"Whilst congratulating the movers of the several amendments, I may say that their speeches have only strengthened me in the opinion expressed in my statement. I have found nothing in them to induce me to alter my decision. Indeed, I have been surprised to see that none of the speakers has taken me to task for advising the suspension of Civil Resistance for everyone except to myself. On the contrary, all the amendments are unanimous in demanding the suspension of Civil Resistance. This fact surprised me, but does not pain me. It only shows that my decision has come not a moment too soon. In asking me, however, to go a step further and give up the idea of offering Civil Resistance myself, you want to deprive me of my individual liberty of action. It is undoubtedly open to you to repudiate my claim to

represent the Congress in my civil resistance. I can understand and even appreciate such a repudiation on behalf of the Congress. Individual Civil Resistance as laid down by the Poona Conference was to be offered in the name of the Congress and the proposition before you is but a modification of the Poona decision. Civil Resistance was then restricted to an indefinite number. Now it is restricted to one single individual. The very fact of my approaching you for approval is evidence of my desire to act in the name of and with the authority of the Congress.

"But in case you do not see your way to vest me with that authority, you may not still deprive me of the liberty of individual action, for that would mean wiping me out of existence itself.

"I would not hesitate even to wipe myself out if I were convinced that the step would lead to an advance in the progress of India towards her goal. My conviction, on the contrary, is that India will not win Swaraj by depriving a single individual of his freedom of action.

"A speaker has said that I claim to bring Swaraj by my single action. When he says that 'Swaraj won by one man is of no good to the nation' he only quotes from my own words. I have said from a thousand platforms to the school of violence that even if they succeeded in achieving Swaraj by taking the lives of some English and Indian officials, it would be Swaraj for themselves, but not for the masses of India and one would not know whose lives they would take next.

"Civil Resistance is a complete substitute for violence. Through it every one has to achieve his own Swaraj. This weapon has given spirit and new strength to the masses. I would like you to come with me for a few days and see to believe the truth of what I say. I have never tried to force my decision on you. I have no power but that of gentle persuasion.

"I only urge you not to coerce me to act against my cherished conviction. Lala Dunichand has asked me not to infringe the limits of the constitution which I have had a hand in framing. To him I would say that I am a Civil Resister because I am a constitutionalist by instinct. That is the very reason why I have come to you as your representative. I have no desire to go beyond the four corners of the constitution.

"If I have failed to carry conviction to you, you will refuse to me that authority. But I only plead for the liberty of individual action. The decision is not the outcome of despair. I am an optimist and never give way to despair. My decision is born of an unshakeable faith in non-violent resistance. It is surely for the General to decide the time and manner of action. The General has to be convinced of the soldiers' capacity to act at a given moment. The conditions of service are to be laid down by the General and not by the soldiers and here you have a General who has no physical force at his command. He can only appeal to his soldiers' reason and heart.

"My sole Civil Resistance is no reflection on any one of you. All these years I was not unaware of the limitations under which I was working. But the time came when it became necessary to cry a halt if the weapon was not to suffer discredit. It is open to you to accept or reject the advice of your General. In a non-violent struggle, it is not the General who can dismiss his soldiers. The latter can dismiss him if his terms do not appeal to them.

"This is no threat. In any case I will continue to be a member of the Congress but will not claim to be its representative. What would be the matter if a year or two more elapse before your faith in him will be restored. The General in non-violent struggle has no powers of punishment. He has no authority to compel obedience to his command. His authority rests on his power of persuasion alone. To ask such a General to alter his course of action is to force him to act against his judgment. You are at perfect liberty to dismiss the General if his commands are obnoxious to you. I do not say it out of anger. If I were to be angry with you for rejecting my advice I should be unfair to offer Civil Disobedience. I claim to be amenable to reason. Even children have shed all fear of me and have been able to make me bend to their will. I have not harmed flies even when pestered by them. Why should you be afraid to order such a man to vacate the place, if that is your desire, I tell you it will not pain me. On the contrary, I will thank you for your frankness, but if you decide to retain your General you should cease to demur and should follow his discipline.

"It is open to you not to accept his discipline but once you accept it you should feel yourself bound to obey his commands.

"One of the speakers has told me that spirituality is a thing I have newly introduced in politics on this occasion. A friend here reminded me of a resolution

passed by the Working Committee on the eve of the Dandi March in 1930 and the preamble to that resolution contains the same thing as I have said in this statement. And it was there with the approval of the late Pandit Motilalji. The preamble lays down in clear terms that the struggle should be started and carried on by those who believe in truth and non-violence not as a policy but as a creed. And therefore I was authorised to start and carry on the struggle and Congressmen were ordered to assist in it. What I say to-day is not from what was said in that preamble. Of course those who took up Civil Resistance as a political weapon came to the struggle, but they were expected to be loyal to the creed and discipline required of them while they remained in the struggle. I expected them to be loyal to it in the same manner as a jailor protects in thought, word and deed a prisoner, who may be guilty of murder and is in his charge for the time being. If you choose to follow my lead you have to accept my conditions. If not, you will leave me free to follow the course I consider best, no matter even if I am alone.

"The Bardoli decision of 1922 which the late Hakim Sahim and Dr. Ansari could accept with the utmost difficulty was the step that saved the country from ignominious defeat and destruction. It brought it sufficiently home to the masses that there was no room for violence in a peaceful struggle. Those who had taken part in the recent struggle have been free from violence in deed. God alone knows how far we were non-violent in thought. It may be admitted that we were not non-violent to the same degree in word. Our non-violence was for a great part confined to deed. I am unrepentant about the Bardoli decision of 1932 and consider it an act of wise statesmanship. Even so do I consider the present advice. My heart is supposed to be extremely soft and I know that it is as hard as steel.

"I am helpless if you read into the statement a meaning that is unwarranted. The person whom I have mentioned in the beginning of the statement is to me as dear as a son. I have no charge against him. I found fault not with him but with myself. He is at present travelling with me. If I have not passed judgment against him, how could I have done so against others, but when I see that our laxity has gone so far as to injure the cause I shall be guilty of breach of trust if I did not cry halt and warn members that far severer discipline and keener appreciation of the necessity of non-violence in thought, word and deed had to be expected before people could be called upon to re-engage in the struggle.

"I said a few words about the Frontier. I feel with the same acuteness about Bengal. I know what is happening in Bengal to-day. There are some Bengalees who blame me for what they consider my neglect of the woes of Bengal. Some of them repudiate my claim to represent Bengal.

"I represent no other province if I don't represent Bengal. I am an admirer of the poetry and emotion of Bengal. I am tied to the Province by the silken cords of love but to-day I am helpless. My lips have been sealed under my vow. Do I not feel sore about the incarceration of Mr. Abdul Gafar Khan whose faith in non-violence is stronger than ever? Both the brothers have assimilated non-violence to an extraordinary degree. I understand they read the message of non-violence in every verse of the Koran. Should I, as a General, leave them to their fates and look on their incarceration with philosophical indifference? Pandit Jawaharlal Nehru has been clapped in jail, as also Sardar Vallabhbhai. He was jocularly called the "blind follower of Mr. Gandhi" as one who said ditto to all that I said. Do you think that he had no intelligence? He was a bigger barrister than myself. He had made a name as a criminal lawyer. He said ditto to what I say because he was convinced of the wisdom of my proposals. Shall I leave these men in prison and revert or let you revert to a 'life of ease and luxury'? I ask you to remain out for the same purpose for which they have gone to jail.

"I want you to remain outside not to live a life of comfort and luxury. I want you to remain outside to embrace voluntary poverty in any future struggle. None of you will get allowances for dependants who remain behind. There is no want of work outside prison. You can offer your lives to the cause of Hindu-Muslim unity. Will you neglect khadi and hope to win freedom for villages? Then there is un-touchability. For you who will be outside there will be no peace nor rest. I have put before you not a single item that has not been included in the Congress programme ever since 1920. You may work out that programme to the full and you will be entitled then and then alone to ask me to refrain from going to jail."

SECOND DAY—PATNA—19th. MAY 1934

Further arrivals to-day brought the attendance up to 155 when the A. I. C. C. reassembled this afternoon. The Radhika Singha Institute Hall was packed with visitors and much interesting talks proceeded among leaders on the dais at the turn of events in the Working Committee. However, there seemed to be a general consensus of opinion among them that the decision taken by the Working Committee was the right one. As yesterday, Mr. Gandhi arrived accompanied by Pundit Malaviya and Seth Jamnalal Bajaj. Immediately thereafter, proceedings began when Pundit Malaviya who presided asked *Mahatma Gandhi* to move the resolution regarding assembly election. Following is the text of the resolution :—

3. Congress Parliamentary Board*

"In as much as there exists in the Congress a vast body of members who believe in the necessity of entry into the legislatures as a step in the country's progress towards its goal, the All-India Congress Committee hereby appoint Pandit Madan Mohan Malaviya and Dr. M. A. Ansari to form a board with Dr. Ansari as President, called the Parliamentary Board, consisting of not more than 25 Congressmen.

"The Board shall run and control elections of members to the legislatures on behalf of the Congress and shall have power to raise, possess and administer funds for carrying its duties.

"The Board shall be subject to the control of the All-India Congress Committee and shall have power to frame its constitution and make rules and regulations from time to time for the management of its affairs. The constitution as well as the rules and regulations shall be placed before the Working Committee for approval but shall be in force pending the approval or otherwise of the Working Committee.

"The Board shall select only such candidates as will be pledged to carry out in the legislatures the Congress policy as it will be determined from time to time."

In the course of a speech in Hindi, moving the resolution, *Mahatma Gandhi* said :—

"It is in the fitness of things that I have been asked to move this resolution. For the idea of boycott of legislatures so far as I know had originated with me. I fought for years with some of my most valued comrades in the Congress for a rigid observance of that boycott. But an influential minority always thought it to be a mistake. When, therefore, we met in an informal conference at Poona in July last year and Messrs. Satyamurthi and Asaf Ali came to me and pressed me to lift the Council-entry boycott, I suggested their forming a Council-entry party of Congressmen.

"Let us trace the history of the boycott. The country accepted it in 1920, and it gave the country a new life. No one could miss seeing the wonderful manifestation. But when in 1922, civil resistance was suspended, the Council-entry programme came and crystallised itself in the formation of the Swaraj Party, which first received Congress recognition and in 1926 took charge of the Congress organisation. In 1929, at the instance of Pandit Motilal Nehru, the Leader of the Congress Party in the Assembly, boycott of legislatures resumed. But even then there remained a body of Congressmen who did not like resumption of boycott. And now that there is a virtual suspension of civil resistance, the demand for a return to the legislatures has resulted in the revival of Swaraj Party under the leadership of no less a veteran No-Changer than Dr. Ansari.

"I regard myself as a practical idealist. I shall retain my disbelief in the legislatures as an instrument for obtaining Swaraj in terms of the masses. But I

*The following are the members of the Board : Dr. Ansari, Pandit Madan Mohan Malaviya, Dr. B. C. Roy, Mrs. Naidu, Messrs. J.C. Gupta, M.S. Aney, K.F. Nariman, T. A. K. Sherwani, Khaliquzzaman, Govind Ballabh Pant, Gopichand Bhargava, Satyamurthi, Prakasam, Sri Krishna Singh, Asaf Ali, Seth Govind Das, K. M. Munshi, Bhulabhai Desai, Abul Kalam Azad, Sri Prakash, Muthuranga Mudaliar and Dr. Satyapal. The following are office-bearers of the Board : Dr. Ansari (President) and in his absence Pandit Malaviya is to act as President. General Secretaries : Dr. B. C. Roy and Mr. Bhulabhai Desai. Secretaries : Messrs. Satyamurthi, Asaf Ali, Kiran Shanker Roy and K. M. Munshi. Finance Committee : Dr. Ansari, Pandit Malaviya, Mr. Bhulabhai Desai, Mr. Khaliquzzaman, Mr. Muthuranga Mudaliar and Dr. B. C. Roy. Committee for Propaganda : Pandit Malaviya, the two General Secretaries, Messrs. Satyamurthi, Munshi, Asaf Ali, Sherwani, Dr. B. C. Roy, Mr. Desai, Mr. Govindballabh Pant and Mr. Aney.

see that I have failed to wean some of the staunchest Congressmen from their faith in Council-entry. The question, therefore, is whether they should or should not enforce their desire to enter the legislatures as Congress representatives. I have no doubt that they must have the recognition they want. Not to give it will be to refuse to make use of the talents we possess. These patriots, every whit as staunch as any of us, were idle and discontented for want of political work strictly so-called. Their discontent affected others, and there was a general paralysis, for Congressmen as a whole have never taken kindly to purely constructive work, such as the spinning wheel. I could not look on this state of things with indifference. When therefore Dr. Ansari wrote to me, I had no hesitation in encouraging him to form a Parliamentary Party of Congressmen. Now, that by Government sufferance we have met as lawful body, it is but meet that we give recognition to Dr. Ansari's effort. Hence, the resolution before you.

"The virtual suspension of civil resistance makes the resolution doubly necessary. I call it virtual, because it is now strictly restricted to one individual. By this resolution, we create a Board which will be entrusted with the carrying on of the work inside the legislatures. It will be an autonomous body like the All-India Spinners' Association, is subject to no interference from the A. I. C. C. or the Congress, whilst the Parliamentary Party will be subject to the discipline of the A. I. C. C., because the latter would, from time to time, have to express its opinion on political questions cropping up in the country. The A. I. C. C. would naturally want its political opinion reflected through the Parliamentary Board in the legislatures, and would therefore expect Congressmen in the legislatures to voice its opinion. In all other respects, it will be an autonomous body.

"Some of the Provincial Congress Committees have expressed the view that the A. I. C. C. instead of creating a separate Board, should itself undertake council-work. The Working Committee considered the suggestion and rejected it as unworkable. I have cherished the hope that all Congressmen do not want to enter the legislatures, and that all of us do not have the faith in the Councils that the parliamentary minded section has. I have tried so far to put before you the view of the Council-goers. They hope to reap a limited benefit for the nation through councils. There is no doubt in my mind that the benefit would be insignificant when compared to the energy that must be spent on it. The A. I. C. C. must not be an exclusively Parliamentary body. It must represent and regulate all the national activities of Congressmen. It must interest itself in the great constructive programme of 1920, including Khadi, Hindu Muslim Unity, Untouchability, Prohibition, national education, organisation of villages, village industries and industrial labour and the like. Parliamentary work must be left to those who are so inclined.

"I hope that the majority will always remain untouched by the glamour of council work. In its own place, it will be useful. But the Congress will commit suicide if its attention is solely devoted to legislative work. Swaraj will never come that way. Swaraj can only come through an all round consciousness of the masses. Two of my comrades came to me this afternoon, agitated and remonstrated with me. They feared that the present course of action would result ultimately in converting the whole Congress into a council-going party. I said I had no such fear. The No-Changer must be weak of faith, if it could not survive competition of the glittering Council programme. I therefore feel that the resolution I have moved exactly meets the case.

"The Swarajist resolution at Ranchi had to be self-contained and therefore full. It was taken to meet the remote eventuality of the A. I. C. C. never being able to meet. Since it has met, the Working Committee resolution is the fittest way of confirming the Ranchi decision. The A. I. C. C. does not need to reiterate what the Ranchi resolution was bound to do.

"The question has been asked why two members have been authorised to appoint the other members. I have always seen that in a well-regulated democracy those who are invested with power are trusted to use that power judiciously. If you believe in the integrity of the two gentlemen named in the resolution, you must also have trust in them that they will appoint fully competent men on the Board. It would be wrong to thrust upon them members who may not co-operate with them to the extent desired. When we give the reins of a particular administration into the hands of some one, he should be left free to choose his own colleagues.

"The Congress following my advice has made it a convention regarding the Working Committee. I had not the courage to incorporate the rule into the constitution, but we have learnt by experience that the convention has worked well. The

President chooses his own colleagues. Your sanction to the choice has become a formal affair. When the Bihar Earthquake Committee met, I went a step further and the resolution gave power to the President Rajendra Babu to choose his own colleagues. I advise the same course for the formation of the Board.

Now, a word as to the competence of the A. I. C. C. to pass this resolution. The Chairman has given his ruling. I wish to defend it on its merits. If the Congress were in session to-day, naturally it alone could not do what it has done. But in an emergency, the A. I. C. C. is bound to do all that Congress can do when in session. It may not shirk the duty cast upon it. Congress can review the doings of the A. I. C. C. if it wishes. You may not put the nation to the expense of calling a session when you have the authority and duty of acting.

"I do not propose to detain you over an examination of the amendments. It is right for the members to suggest amendments. But when the member-in-charge of the resolution cannot see his way to accept your amendment, it is better to withdraw them, and reject the resolution if his reasons for not accepting the amendments do not appeal to you. The ablest painter has not yet produced the painting that has not evoked some criticism. If we were to incorporate all the criticisms into his picture it would become a daub. The resolution drawn up after much trouble is like a picture to be dropped or taken. It may not be tampered with except when the author is convinced of his error."

Mr. M. S. Aney, seconding the resolution regarding entry into legislatures, said that the remarkable thing about the resolution and about the occasion was moved by Mr. Gandhi himself, the father of the Council Boycott Movement. They could see now during these years experience had shown that there was large section in the A. I. C. C. and the Congress camp, who, in spite of all opposition against Council-entry, adhered to the view that Council-entry was one of the weapons of the struggle. This weapon could not be neglected by the nation in its struggle for political emancipation. He urged that the demand of this responsible section of workers must be fairly met and they should be recognised for having remained loyal to the Congress. He pointed out how the rights of the people of these representative bodies were being exploited and how they could be safeguarded if this section of the Congress entered the legislatures. Though he thought Swaraj could not be attained through Council, impediments could not be removed if organised efforts were made by the struggle through the Councils. They were creating a permanent Parliamentary wing of the Congress and there could be understanding between the two sections of the Congress with the tacit permission of the Congress, one working inside the legislatures and the other outside and thus supplementing each other's activities towards the country's progress.

Mr. Abhyankar raised a point of order. He referred to article 21 of the Congress Constitution whereby the Council-entry question could not be regarded as a new matter as it had been decided upon by the Lahore Congress, which favoured boycott of the legislatures. The fact of the existence of pro-councilwallahs in the Congress ranks was no new ground for reopening the question by the A. I. C. C. In view of these two points, Mr. Abhyankar stressed that the resolution was not in order.

Mr. Abid Ali Jafferbhoy pointed out that the Lahore Congress resolution imposed a ban both on the present and future legislatures and the resolution was against the spirit and policy of Lahore Congress resolution.

At this stage the President called upon Mr. Nariman to read Mr. Vijayaraghavachariar's letter bearing on the point of order raised by Mr. Abhyankar.

Mr. Abdul Bari and others objected to Mr. Vijayaraghavachariar's letter being read.

The letter questioned the authority of the A. I. C. C. to finally dispose of Council-entry matter now referred to it by the Ranchi Conference.

The President, holding that the resolution was perfectly in order, pointed out that the object of the Constitution would be defeated if the rules were interpreted too rigidly and on that account they could never get out of the deadlock.

Swami Kumarananand (Andhra), opposing the resolution, said that the A. I. C. C. could not rescind the Lahore Congress resolution until it was laid before an open session of the Congress. They were trying to convert the Congress into an election-fighting machinery. He pleaded for the adoption by the Congress of a Socialist programme and added: "Mr. Gandhi is an agent of the capitalist."

There were cries from the audience of "Withdraw."

The President then announced that he had received 14 amendments to the resolution.

Mr. Ravi Shanker Shukul moved an amendment that only such Congressmen be selected as candidates for legislatures as would carry out the Congress policy.

Mr. Balkrishna (Cawnpore) moved an amendment that members of the proposed Parliamentary Board should be elected by the Executive of the various Provincial Congress Committees in the proportion of their representation in the A. I. C. C. and only tried Congressmen should be selected as candidates for the legislatures.

Mr. Sampurnananda said that they must fix the number of Board Membership at 25.

Mr. Majumdar saw in the resolution the triumph of the late Mr. C. R. Das's idea that one way of meeting the Government's violence was to assume control of the machinery for legislation. He moved an amendment that candidates be set up, on the suggestion of the District Congress Committee or the Congress body in the constituency concerned.

Swami Govindanand moved an amendment urging an early session of the Congress to consider Council-entry. He was an out and out opponent of Council-entry but he felt that when they were making a confession of new faith, they should submit this to a Congress session. He knew Pandit Malaviya was prepared to hold a session in Benares at three weeks' notice.

Mr. Sarveswar Sastri welcomed Council-entry but wished the Parliamentary Board to have one representative each from 21 Congress provinces.

Mr. G. S. Gupta wanted the Council-entry resolution to be ratified by the Congress.

At this stage *Pandit Malaviya* said that such members as wished to have tea could go but the work of the Committee would continue. There was, however, a general rush out and the Committee had to be adjourned for over half an hour.

When the Committee reassembled after half an hour's interval in the evening, *Prof Ranga* urged Council-entry on the basis of Socialist programme. He asked that the A. I. C. C. should give a definite mandate for entering Assembly and Provincial Councils.

Mr. S. Chakravarty (Bengal) moved an amendment that members of the Parliamentary Board should be selected from amongst those who participated in civil disobedience.

Mr. Abid Ali Jafferbhoy, opposing the resolution, said : "You have taught us how to make sacrifices and now you change the method and ask the vote of the masses to send you to the Councils. You cannot attain Swaraj through Councils. How will it work if Mr. Gandhi were to go to jail and Dr. Ansari to the Assembly?"

Mr. Gandhi : "Surely he will try to take me out of it."

Mr. Sri Prakash (Benares) moved an amendment : "The Lahore Congress resolution imposing a ban on Council-entry shall not be rescinded except by an open session of the Congress (and elections?) shall be run on the basis of Socialist programme."

Acharya Narendra Dev, Congress Socialist Leader, seconding the amendment, characterised the Council-entry programme as futile and strongly pleaded for the adoption of the Socialist programme, which would take the country forward towards the goal of Swaraj and appealed to Mr. Gandhi to give blessing to the new Socialist ideal and policy. They should on no account give a blank cheque to the Swarajists on the basis of the programme they had proposed.

Mr. M. V. Abhyankar, opposing the resolution, said : "The Congress prestige is now at a very low ebb. Therefore there is no use riding high horses. Don't go to the Councils because I think you will not be able to send men in appreciable numbers. There is nothing to be gained by going to the Councils. Your member, when he gets the Ministership, might be a person to sign the arrest warrant of Mr. Gandhi. Why not hold your soul in peace till the new reforms come ? It is stated by going to the Assembly they will reject the White Paper and fight for repeal of repressive laws. It is no use writing on the old slate. The White Paper already stands rejected so far as the Congress is concerned and when there is no more civil disobedience there will be no use of repressive laws. Mr. Gandhi has already given too long a rope to the Council-wallas."

Mr. Indra supported Mr. Gandhi's resolution.

Mr. S. Satyamurthi, who was frequently interrupted, said the resolution was frankly a compromise between what the Swarajists wanted and others' point of view. He appealed to all Congressmen now to render every help to make the election a thumping success. (Some voices : "We wont.") Mr. Satyamurthi was happy to live to

see the day when Mr. Gandhi moved the resolution for Council-entry, as the speaker had always believed in getting hold of every strategic point.

Mr. Purshottamdas Tandon said that the resolution meant falling from their ideal. He could understand people saying that because some new constitution gave opportunities it should be tried but here was a constitution which had been tried and rejected. They could not even prevent the exchange ratio being forced on the country. The election cry would damage the Congress reputation among the masses. He finally pleaded that thousands of people and Kisans who had lost all and whose lands were attached by Government should have an opportunity of expressing their views through a session of the Congress before they adopted the resolution.

Mr. Govindballabh Pant said that though Council-entry would be useful for propaganda purposes they should not forget the real objective. He supported Mr. Balkrishna's amendment for electing members of the Parliamentary Board from amongst various Provincial Congress Committees.

Dr. Kitchlew said that if it was a question of conviction or faith with Mr. Gandhi with regard to the Council-entry programme, they would have followed his guidance and advice, but Mr. Gandhi having himself little faith in its usefulness was giving Congressmen permission to capture the legislatures. Why lower the Congress prestige by adopting Council-entry programme on behalf of the Congress?

Mr. T. A. K. Sherwani, supporting the resolution, said that Council-entry programme should be of national use is fighting the Government from within and establishing contact with the masses.

Seth Govindas said that Swarajists were prepared to make as much sacrifices for the national cause as other Congressmen. He was for a special session of the Congress for deciding Council-entry matter.

Mr. K. M. Munshi, supporting the resolution, said that the issue had been partially clouded. The issue before them was whether the boycott of the Councils should be lifted circumstanced as they were to-day. No single activity could bring Swaraj to any nation. It was the spirit of discipline which would help them to achieve the goal. The present stagnation in the country was so suffocating that they must concentrate national energies through Councils.

Mr. Gandhi, replying to the debate, explained that the resolution did not want no-changers to change their views about Council-entry. In fact, he would be sorry if they said they too were infected. Those Congressmen who thought they could render some service through Council, should be given a chance to do so. They did not expect no-changers to stand on their platform and support their entry policy or programme but he asked was it right to deny a section of brother Congressmen the chance of trying their method? These men had not been disloyal to the Congress in the past and could be depended on for coming out whenever the Congress so wished.

Thereafter all amendments were rejected. That of the Socialists was pressed to a division and defeated by 86 to 35 votes. Mr. Gandhi's resolution was then passed by 85 to 32 votes.

Next Congress at Bombay

Mrs. Naidu then moved that the next session of the Congress be held in Bombay in the first week of October. This too was agreed to but Mr Jamnalal Bajaj asked whether the session would be 46 or 48th.

Pandit Malaviya said that Delhi and Calcutta sessions which the Government had banned were as important as any other. Therefore, the next session would be the 48th. (cheers).

Thereafter Pandit Malaviya took the sense of the House and by a majority, it was agreed to conclude business and refer all pending matters to the Working Committee. The Committee then dissolved.

THE PATNA DECISION AND AFTER

Dr. Ansari's Appeal

Dr. M. A. Ansari issued the following statement to the Press, dated New Delhi, the 21st. May 1934:—

"The Patna meeting of the A. I. C. C. and its far-reaching decisions mark an epoch in the political history of the Indian nation. Since the day Mr. Gandhi had been at the helm of affairs, the Indian National Congress has made history. He

began by introducing a new evangel into the social, political and religious life of the country, which in its application to the doctrine of direct action and civil resistance had been variously assessed and practised by Congressmen during the past fifteen years. And it was this variation of his gospel of Satyagraha according to the different mentalities which had led to a variety of results, though by far the most outstanding of which is the amazing advance of the country in political consciousness. As the author and greatest living exponent of Satyagraha, he alone is the best judge of the method, manner and time of its application. The A. I. C. C. has once again placed on record its confidence in his lead by accepting his advice regarding civil resistance. Human nature is apt to learn towards rigidity and turn even religious which in their original form were intended to provide guidance for progressive humanity, into a set of stony dogmas, impeding the very progress for which they were laid down. Similarly even among Congressmen this human failing has at times led to a kind of petrification of ideas intended under given circumstances to help to create a certain mood of mind. Mr. Gandhi by his decision regarding Satyagraha, no less than regarding entry into the legislatures, has clearly demonstrated the flexibility of the methods of applying his principles, thereby insuring progressive guidance.

"Boycott of Councils was originally intended to awaken a spirit of steadfast resistance and the organisation of effective opposition. The emergence of a large number of Congressmen whose minds were thoroughly imbued with the requisite spirit of resistance who can be trusted to maintain the Congress spirit wherever they may be, has led Mr. Gandhi to relax boycott and persuade the A. I. C. C. to assume the conduct of Parliamentary work on behalf of and in the name of Congress through special Parliamentary Congress Board.

"The Swaraj Party had aimed at no other position, but at the time of its revival, conditions which made it possible for the A. I. C. C. to meet at Patna were absent and despite every effort at clarification doubts had continued to linger in some minds. It is a matter of supreme satisfaction to me that the position of the Congress Parliamentary Board is now beyond cavil or doubt.

"In view of the resolution of the A. I. C. C., it was decided to adjourn the meeting of the General Council of the Swaraj Party sine die. The Parliamentary Board set up by the A. I. C. C. has begun to function, and I earnestly appeal to all sections of Congressmen and to the entire country to lend all possible assistance to the Board to enable it to fulfil the duties with which it has been charged by the A. I. C. C.

"Let us not forget that the activities of the Congress work as any other, and in view of the challenge it has taken up, it is incumbent on all Congressmen to help it to vindicate the honour of the Congress.

"Similarly, it is my duty to point out to every Congress candidate for the Assembly that he will have considerable opportunities for carrying the message of the Congress and stimulating constructive work in his constituencies. Each candidate shall have special opportunities for helping in the enrolment of four anna members of the Congress and if all contribute their full quota they can enrol at least fifteen lakhs of members.

"Now that the A. I. C. C. by accepting Mr. Gandhi's advice regarding civil resistance has made the way for the Government clear for raising the ban from Congress organisations, there is work enough for Congressmen to enrol millions before the next elections to the district and provincial Congress Committees, so that the next A. I. C. C. and the Indian National Congress should be as representative of the country as possible.

"I must say something about the work of the Ranchi Conference. In the main the idea which it places before the country is the attainment of Purna Swaraj through a national Constitution framed by a Constituent Assembly on the basis of self-determination. Nothing short of a Constitution so framed can satisfy the country. It is not an abstract idea but an inalienable right. Even Australia, South Africa and Ireland asserted this right, and the British Parliament had to concede it to them. There is no earthly reason why India should allow herself to be deprived of it.

"Those who think in terms of the White Paper constitution deny themselves and the masses of India the inalienable right of self-determination.

"The aim of the Congress is to find a national solution by common agreement. This effort must continue until the end is achieved and all communities stand united as one powerful nation. There is all the force of truth in Pandit Jawharlal's

assertion that real unity among the different communities in India will come through ideological fusion, whereby we understand realisation of unity of economic interest

"The Congress made its attitude towards the communal problem clear, in its resolutions from time to time since the Nehru Committee's recommendations have lapsed. The Congress knows that while a large number of Hindus and Sikhs have taken strong exception to the Communal Award, a considerable section of Mussalmans, Harijans and Christians have accepted it for so long as an agreed substitute is found. The Congress will always strive to help to find a national solution of the question, but in my opinion such a solution of the question, cannot be found except by a Constituent Assembly convened to frame a national Constitution. Until then, the question of acceptance or rejection of the mode or proportion of representation as continued in the Communal Award does not arise. It would not be dignified for any self-respecting people to ask any outsider to decide what is purely a domestic matter, nor would any such decision succeed in satisfying all."

THE LIBERALS AND THE CONGRESS

Jehangir—Setalvad Statement

Commenting on the Patna decision Sir Chimanlal Setalvad and Sir Cowasjee Jehangir (junior), in the course of a joint statement, issued from Bombay on the 30th May 1934, stressed the imperative necessity of all parties and communities making a determined effort to solve what they characterised as the "problem of problems". The country can now be sure, they declare, that the All India Congress Committee has abandoned the Civil Disobedience movement. This action has been welcomed by a vast majority of Congressmen themselves and all others outside the Congress movement who throughout have been strongly of opinion that the country was suffering, and would gravely suffer, by the movement. One need not be perturbed, they point out, by Mr. Gandhi reserving to himself the liberty to practise Civil Disobedience in the name of the Congress. If this profession of faith helped to bring about the exit of Civil Disobedience for all practical purposes those who disapproved of the movement need not make this personal concession to Mr. Gandhi a cause for complaint. The step that the A. I. C. C. has now taken after producing political stagnation in the Congress circles for four years demonstrates conclusively the wisdom of those who did not bend to the whirlwind of the Civil Disobedience movement and despite the abuse and vilification, maintained that the best interests of the country lay in constitutional methods. It is satisfactory that the Congress has abandoned the fruitless task of boycotting the legislature and officially going to run candidates for election. If instead of ploughing the sands the Congress had sent its men to the legislatures and worked unitedly with other parties we have no doubt an enormous difference would have been made in the constitutional position of the country.

There are still fundamental differences between the Congress and those outside it, they say. The first and most prominent objective in the Congress programme is the Independence. Those who look upon this item even from the cold aspect of practical politics, without being carried away by sentiment of any kind realise its futility. Liberals are firm in their creed of making India a full-fledged Dominion within the Empire. We must look at facts in the face and not slur over them as the Congress is very much inclined to do. Liberals, though yielding to none in their desire to secure the largest measure of freedom for their country, are convinced that India's interests will be better served by becoming a free country within the Empire than by Independence. To talk of Independence under the present conditions in India is crying for the moon. This tendency in Indian politics to ignore realities has been largely due to the present constitution which puts no real responsibility on the shoulders of the people for the administration of the affairs of their own country.

Communal differences in the country are as many and serious as they ever were before. It must be realised, that all this talk of propaganda for Independence for India can have no semblance of reality unless there is unity, friendly feeling and complete understanding amongst the various communities, castes and creeds. This is the problem that faces India. It is the duty of all parties and all communities to make a determined effort to solve it. The communal question cannot and will

not be a live issue at the next elections. The electorate is divided into two main watertight compartments with diametrically opposite views on communal issue. At least at the next elections most of the candidates appealing to the electorates will be in agreement with the vast majority of their constituencies.

The next fundamental difference is that Congressmen have amongst them a minority which is definitely inclined towards communism. At least in Bombay this minority has gained the upper hand. This may have been due more to force of circumstances than conviction, but it cannot be denied that for the last few years Congress as a whole has hobnobbed with those believing in Bolshevik principles. This may again be due to the desire of leaders to placate all sections, but by doing so they do create a fundamental difference between themselves and most of those who are outside the Congress movement. This is neither the time nor the place to explain the clearcut distinction between Socialism and Communism. But, while Socialism on sound lines may be the salvation of the world, it is certainly the duty of all Indians who have the welfare of their country at heart to make the rising generation realise the dangers of the propaganda of those who may now be only a minority even in the Congress.

Proceedings of the Working Committee

WARDHA—12th. & 13th. JUNE 1934

The Working Committee met at Satyagraha Ashram, Wardha on June 12 and 13, and at Mani Bhawan, Bombay on June 17 and 18, 1934. The acting Chairman Seth Jamnalalji Bajaj presided. The following members were present :

1. Mahatma Gandhi, 2. Maulana Abul Kalam Azad, 3. Mrs. Sarojini Naidu, 4. Syt. M. S. Aney, 5. Syt. K. F. Nariman, and Dr. Syed Mahmud.

Pandit Madan Mohan Malaviya and Syt. C. Rajagopalachar attended by special invitation. The minutes of the last meeting of the Committee were confirmed and the following resolutions were passed :

Resolutions adopted at Wardha on June 12 and 13, 1934

1. CONDOLENCE

The Working Committee tenderers its deep sympathy to Babu Rajendra Prasad and his family on the loss of his elder brother, the late Babu Mahendra Prasad, whose exceptional domestic affection had made it possible for Babu Rajendra Prasad to devote himself solely to the national cause and who was himself a silent public worker and philanthropist of a high order.

2. CONGRESS REORGANIZATION

(a) The Committee expects all Provincial and Local Congress Committees to complete all elections including those to the A. I. C. C. by the end of August 1934. Provincial Congress Committees are requested to send fortnightly progress reports to the A. I. C. C. office at Allahabad.

(b) The Committee desires to make it clear that, as explained by the Acting Chairman already in his press statement of May 25, 1934, the organizers were appointed by this Committee under resolution 9 dated May 20, 1934 not to supersede but to render such assistance to Provincial Committees as they may require from time to time.

3. (I) CONSTRUCTIVE PROGRAMME

In view of the removal of the ban on Congress organization, the Working Committee advises responsible Congress workers to expedite the reorganization of Congress Committees within their respective jurisdictions and engage Congressmen in the various constructive activities, particularly :

- (a) production of khaddar through self-spinning and spread thereof, within the area of production, and such further assistance to the All India Spinners' Association as is within their power.
- (b) removal of untouchability
- (c) promotion of inter-communal unity
- (d) promotion of total abstinence from intoxicating drinks and drugs and advocacy of prohibition
- (e) promotion of education on national lines
- (f) promotion of development of useful small industries
- (g) organization and reconstruction of village life in its economic, educational, social and hygienic aspects
- (h) spread of useful knowledge among the adult population in the villages
- (i) organization of industrial labour
- (j) and such other activities as may commend themselves to Congress workers and organisations, which are not inconsistent with the Congress objective or general policy and which will not involve any form of civil resistance.

(II) PARLIAMENTARY BOARD

The Working Committee also expects Congress Committees and workers to render all such assistance as is within their power to make the work of the Congress Parliamentary Board successful.

4. STUDENTS

The Working Committee expects the student community to take their due share in the social, economic and educational part of the constructive programme of the Congress by devoting to it their spare hours, and particularly their vacations.

5. CONGRESS MEMBERSHIP FORM (*Vide Appendix*)

Resolved that in the Congress membership forms to be printed in future, the Karachi Congress resolution on Fundamental Rights and Duties and Economic Programme as finally shaped by the A. I. C. C. on August 6, 1931, be printed in the receipt form issued to the member enrolled.

6. PRESIDENTIAL ELECTION

Read circular letter No. 1, dated May 23, 1934, of the A. I. C. C. Office. In view of enquiries made upon this letter, resolved as follows:

While recognizing the right of Provincial Congress Committees to nominate any person of their choice for the Presidentship of the ensuing session of the Indian National Congress, the Working Committee reminds the Provincial Congress Committees that Babu Rajendra Prasad was finally elected by a majority of Provincial Congress Committees for the intended session at Puri, but that session at Puri was never held. Therefore it seems but proper that he should be unanimously nominated by the Provincial Congress Committees for the ensuing session at Bombay.

7. BOMBAY STRIKE

Mrs. Sarojini Naidu and Mr. K. F. Nariman placed Bombay P. C. C. resolution 6, dated June 10, 1934, relating to Bombay strike, before the Working Committee.

Mrs. Naidu and Mr. Nariman were informed that the Working Committee has no doubt that Congress leaders, either in the province or outside, will be prepared to arbitrate in case all the parties concerned agree to abide by such arbitration.

8. KHUDAI KHIDMATGARS*

The Acting Chairman was asked to draw the attention of the Government to the discrepancy in their communiqué withdrawing notifications against Congress

* Note. The following reply was received by the Acting Chairman from the Home Department, Government of India.

"I have received your telegram of twelfth instant and in reply am desired to say that the Government of India are aware that the N. W. F. Provincial Jirga, which was the name under which the red shirt organisation previously known as Afgan Jirga or Khudai Khidmatgaran was working in its latest stages, was described as a part of the Congress organisation. The records of its activities, however, is such that the Government do not intend to withdraw the notifications declaring its and its branches to be unlawful."

organisations. The Acting Chairman accordingly sent the following telegram to the Secretary, Home Department, Simla :—

"The Working Committee, I. N. C., has asked me to draw the Government's attention to the discrepancy in the communique removing the ban on Congress organisations. The communique withdraws notifications declaring the very constituent parts of the Congress organisation unlawful. But it continues the modification against Red Shirt organisations as if they were not part of the Congress. I am to draw the attention of Government that if by Red Shirt organisations are meant Khudai Khidmatgars they are since August 1931 part of the Congress, pledged to its creed and constitution and subject to its discipline. The representatives have accepted A. I. C. C. resolution suspending civil resistance. My Committee will be obliged if you would kindly inform me whether in spite of their acceptance of Congress decision they remain unlawful organisations."

The General Secretary was asked to republish in this connection the following resolution of the Working Committee dated July 7, 1931 relating to Volunteer Corps, and the resolution of August 14, 1931 on Khudai Khidmatgars,

WORKING COMMITTEE, BOMBAY, JULY 7, 1931

No Volunteer Board or Corps not previously recognised by the Working Committee shall work in any Congress province in the name of or on behalf of the Congress.

WORKING COMMITTEE, BOMBAY, AUGUST 14, 1931

NORTH WEST FRONTIER P. C. C. THE AFGHAN JIRGA AND THE KHUDAI KHIDMATGARS

The Committee having conferred with the representatives of the N. W. F. Province resolved on the reconstitution of the Frontier P. C. C. and the incorporation of the Afgan Jirga in it. It was further resolved that the Khudai Khidmatgars should become a part of the Congress Volunteer organisation. The following statement, embodying the decisions of the Working Committee was issued on behalf of the Committee :

Some misunderstandings having arisen in regard to Congress work in the North West Frontier Province and the relation between the Provincial Congress organisation and the Afgan Jirga and the Khudai Khidmatgars, the Working Committee met Khan Abdul Gaffar Khan and Khan Aligul Khan, Hakim Abdul Jalil, Mr. Peer Baksh, Khan Amir Mohammad Khan and Shrimati Nikho Devi and discussed future work in the N. W. F. Province. As a result of these discussions misunderstandings were removed and the Frontier leaders agreed to work together in accordance with certain decisions arrived at. It was pointed out that the Afgan Jirga was working the Congress programme and the Khudai Khidmatgars were acting as volunteers for giving effect to this programme. But as the Afgan Jirga had a separate constitution of its own it was no part of Congress organisation. Confusion had also arisen owing to the variety of flags by the Jirga.

It was agreed by the Frontier leaders that the present P. C. C. and the Afgan Jirga should coalesce and the new provincial organisation formed in accordance with the Congress constitution should represent the Congress in the Province. This newly elected Committee will be the Frontier P. C. C. In the language of the Province it may be described as the Frontier Province Jirga. Similarly the district and the local Congress Committees may be described as local Jirga, the fact that they are Congress Committees being also clearly stated. The Khudai Khidmatgars, it was agreed, should become Congress volunteer organisations in accordance with the Working Committee's recent resolution. The name Khudai Khidmatgars may however be retained. The whole organisation should be conducted in accordance with the constitution, rules and programme of the Congress. The flag to be used henceforth will of course be the National flag.

At the request of the Working Committee the Frontier leader Khan Abdul Gaffar Khan has undertaken to shoulder the burden of leading the Congress movement in the Province.

Resolutions Adopted at Bombay on June 17 and 18, 1934.

9. WHITE PAPER AND COMMUNAL AWARD

The Congress Parliamentary Board having asked the Working Committee to enunciate the Congress Policy on the White Paper proposals and the Communal Award, the Working Committee declares the Congress Policy on these matters as follows :

The White Paper in no way expresses the will of the people of India, has been more or less condemned by almost all the Indian political parties and falls far short of the Congress goal if it does not retard the progress towards it. The only satisfactory alternative to the White Paper is a constitution drawn up by a Constituent Assembly elected on the basis of adult suffrage or as near it as possible, with the power, if necessary, to the important minorities to have their representatives elected exclusively by the electors belonging to such minorities.

The White Paper lapsing, the Communal Award must lapse automatically. Among other things it will be the duty of the Constituent Assembly to determine the method of representation of important minorities and make provision for otherwise safeguarding their interests.

Since, however, the different communities in the country are sharply divided on the question of the Communal Award, it is necessary to define the Congress attitude on it. The Congress claims to represent equally all the communities composing the Indian nation and therefore, in view of the division of opinion, can neither accept nor reject the Communal Award as long as the division of opinion lasts.

At the same time it is necessary to redeclare the policy of the Congress on the Communal question :

No solution that is not purely national can be propounded by the Congress. But the Congress is pledged to accept any solution falling short of the national, which is agreed to by all the parties concerned and, conversely, to reject any solution which is not agreed to by any of the said parties.

Judged by the national standard the Communal Award is wholly unsatisfactory, besides being open to serious objections on other grounds.

It is, however, obvious that the only way to prevent untoward consequences of the Communal Award is to explore ways and means of arriving at an agreed solution and not by any appeal on the essentially domestic question to the British Government or any other outside authority.

10. NEXT CONGRESS

It was suggested to the Working Committee that, in view of the prevailing monsoon, the last week of October would be preferable to the first week for holding the ensuing Congress Session in Bombay. The Committee resolved accordingly.

11. CONGRESS PARLIAMENTARY BOARD'S CONSTITUTION, ETC.

The Committee approved the constitution, rules and pledge adopted by the Board.

12. NEXT MEETING

It was decided that the next meeting of the Working Committee be held in Benares on July 27.

13. SOCIALIST PROGRAMME

Whilst the Working Committee welcomes the formation of groups representing different schools of thought, it is necessary, in view of loose talk about confiscation of private property and necessity of class war, to remind Congressmen that the Karachi resolution as finally settled by the A. I. C. C. at Bombay in August 1931, which always lays down certain principles, neither contemplates confiscation, nor advocacy of class war. The Working Committee is further of opinion that confiscation and class war are contrary to the Congress creed of non-violence. At the same time the Working Committee is of opinion that the Congress does contemplate wiser and juster use of private property so as to prevent the exploitation of the landless poor, and also contemplates a healthier relationship between capital and labour.

14. CONGRATULATIONS

The Working Committee congratulates Pandit Madan Mohan Malaviyaji and Syt. Madhavarao Aney upon their withdrawal of their resignations on being pressed by their colleagues, and tenders its thanks for their generous response.

APPENDIX (*See Resolution 5*)**Karachi Resolution Condensed, to be Printed on Membership Forms.**

Swaraj as conceived by the Congress should include real economic freedom of the masses. The Congress declares that no constitution will be acceptable to it unless it provides or enables the Swaraj Government to provide for:

- (1) Freedom of expression, association and meeting.
- (2) Freedom of religion.
- (3) Protection of all cultures and languages.
- (4) All citizens shall be equal before the law.
- (5) No disability in employment or trade or profession on account of religion, caste or sex.
- (6) Equal rights and duties for all in regard to public wells, schools, etc.
- (7) All to have right to bear arms in accordance with regulations.
- (8) No person to be deprived of property or liberty except in accordance with law.
- (9) Religious neutrality of State.
- (10) Adult Suffrage.
- (11) Free compulsory primary education.
- (12) No titles to be conferred.
- (13) Capital punishment to be abolished.
- (14) Freedom of movement for every citizen of India and right to settle and acquire property in any part thereof, and equal protection of law.
- (15) Proper standard of life for industrial workers and suitable machinery for settlement of disputes between employers and workers and protection against old age, sickness, etc.
- (16) All labour to be free from conditions of serfdom.
- (17) Special protection of women workers.
- (18) Children not to be employed in mines and factories.
- (19) Rights of peasants and workers to form unions.
- (20) Reform of system of land revenue and tenure and rent, exempting rent and revenue for uneconomical holdings and reduction of dues payable for smaller holdings.
- (21) Inheritance tax on graduated scale.
- (22) Reduction of military expenditure by at least half.
- (23) No servant of State ordinarily to be paid above Rs. 500 per month.
- (24) Abolition of Salt tax.
- (25) Protection of indigenous cloth against competition of foreign cloth.
- (26) Total prohibition of intoxicating drinks and drugs.
- (27) Currency and exchange to be in national interest.
- (28) Nationalisation of key industries and services, railways, etc.
- (29) Relief of agricultural indebtedness and control of usury.
- (30) Military training for citizens.

THE HINDU SABHA POLITY

COMMUNAL AWARD AND THE POONA PACT

THE BENGAL HINDUS' MANIFESTO

The following manifesto was issued by representative Hindus of Bengal from Calcutta on the 7th. January 1934 :—

The fate of this fair Province of Bengal is hanging in the balance and by the end of January 1934, the Joint Parliamentary Committee will have made its report. Any one who is not blinded by communal jealousies or personal loyalties, must be satisfied by this time that the Communal Decision of the Prime Minister and the Poona Pact taken together, unless modified, will inevitably reduce the Caste Hindus of Bengal to position of absolute political impotence. It is thus time that a united protest be made by all sections of the Hindu Community of Bengal before it becomes too late.

1. As regards the Prime Minister's Decision which has been incorporated in the White Paper, it is, in our opinion, inequitable, irrational and anti-national and can not be accepted by the Hindus, for the following among other reasons :

(1) In the words of the Montague Chelmsford Report, 'Division by creeds and classes into separate electorates means the creation of political camps, organized against each other.' The Communal Decision makes 'Community-tight compartments' the corner stone of the scheme and goes counter to all principles of democracy.

(2) Separate electorates are a minority right and is a device for the protection of minorities. But, under the Decision, they are to be used in Bengal as an instrument for the assertion of communal ascendancy by the majority community viz, the Moslems who form 54.8 per cent. of the total population.

(3) The Hindu Minority, by reason of their position, their public spirit, their wealth, their advance in education, their enterprise, their sacrifices, their social services and their contribution to the public revenues are equitably entitled to suitable weightage but in the Prime Minister's Decision, while the principle of weightage plays a conspicuous part and in Bengal has been applied to Europeans (who are given a weightage of 25,000 per cent.), Anglo-Indians (who are given a weightage 3,000 per cent) and the Indian Christians (who are given a weightage of 300 per cent.) and to the Moslems in every province where they are in a minority (e.g. 117 p. c. in Bombay, 130 p. c. in Behar and 200 p. c. in C. P.)—not only are the Bengali Hindus, who form the Minority Community, not given any weightages but the seats allotted to them fall short of their legitimate quota by at least 8 if not 10. Thus, in a House of 250, excluding 34 special constituencies, the remaining 216 seats are distributed as follows :

Europeans—11, Anglo-Indians—4, Indian Christians—2, Moslems—119, and Hindus 'and others' ('others' include Buddhists, Jains, Sikhs, Jews etc.)—80.

This allocation (confining ourselves to Moslems and Hindus 'and others' for the time being) is manifestly unfair, whether we take it on any of the 3 following

- (1) Their respective voting strengths
- (2) Their respective adult population strengths or
- (3) Their respective total population strengths.

If the first test were applied, (according to the last available report, the number of Mahomedan voters in 1926 was 529995 as against 628217 Non-Mahomedan voters), Mahomedan seats ought to be less than Hindu seats. Apply the adult population test, the protection ought to be 51.3 (Mahomedan) and 48.3 Hindus 'and others'. Thus the Moslems' legitimate quota would be 101 as against 98 to be allotted to the Hindus 'and others'. Take it on the total population basis, that is 54.8 and 44.8, the allotment of seats ought to be 109 and 90 respectively and not 119 and 80.

The special constituency seats cannot possibly be taken into consideration for division on communal lines. If Europeans are getting 25 seats, it is not on population basis. If Moslems have no interest in Mining, why should they get half of the seats representing Mining?

On the other hand, if the interest of Moslems in labour is found to be more than what division on population basis justifies, certainly they should get more. Thus special constituencies cannot be divided on the basis of population. Putting them aside only 199 seats are capable of division between Hindus and Mahomedans and the latter forming 54.8 p. c. of the population can get only 109 seat., whereas they have got 119—an excess of ten.

2. As regards the Poona Pact (under which 30 out of 80 seats reserved for the Bengali Hindus 'must' go to the Depressed Classes in Bengal who are further given the right of contesting the remaining 50 seats) it cannot be disputed that the Pact was come to by certain leaders (among whom Bengali Hindus were not represented) hurriedly and at a time when, to use the words of Mahatma Gandhi, the Hindus had become delerious and done acts which when they became sober they undid. It is also beyond dispute that the caste Hindus and the Depressed Class Hindus of Bengal never met and never agreed to what is known as the Poona Pact.

We are of opinion that joint electorates with a fair reservation of seats for the Depressed Classes will amply safeguard all their legitimate interests and we are satisfied that the Poona Pact so far as it relates to Bengal has done grave injustice to Caste Hindus and unless revised, it will work serious detriment to political progress for the following among other reasons:—

(i) The proportion of seats reserved for the Depressed Classes in Bengal ought not in any event to exceed their population strength, which according to the Franchise Committee's provisional figures is 7 and a half millions, but the population strength of the Depressed Classes in Bengal is in fact less than 2 and a half millions. If you apply the test of 'untouchability' which is the only criterion (as is admitted in official documents) then the untouchables in Bengal would come only to a few lacs. If social and political backwardness is accepted as the test, then the Namasudras numbering 2,094,957 and the Rajbansis numbering 1,806,390 (who claim to belong to the twice-born caste and many of whom have made fair progress in education) must be excluded as also the aboriginal tribes numbering 1,281,844 whom the Franchise Committee directed to be excluded. So the total of the Depressed Classes will be reduced to 5,451,710.

(ii) "The Scheduled castes" whom the Government of Bengal propose to include in the Depressed Classes, number 86 according to Government computation. Apart from Rajbansis and Namasudras, 13 out of these scheduled castes is reduced to 2.1-5th millions, and under the Poona Pact 30 seats have been carved out for them with the prospect of capturing another 14 seats. Thus the remaining 36 seats only will be available to the remaining 20 millions of Hindus 'and others.'

(iii) It is beyond question that the Depressed Classes are divided among themselves and these divisions and subdivisions observe untouchability 'inter se'. They do not form a compact homogenous body—an entire social mass vis-a-vis the caste Hindus. How then will their interests be better protected by taking away a seat from a high caste Hindu who is generally inspired with higher ideas of social service and is more capable of rising above petty considerations and giving it, say, to a Namasudra or Rajbanshi? For these being the two sub-castes who are better organised than the others the majority of the seats reserved for the Depressed Classes is likely to be captured by them.

(iv) While Mahatma Gandhi brought about the Poona Pact in the interest of the Depressed Classes, as a matter of fact the really depressed classes, viz., the Muchis, Haris etc., will get no representation from their castes. The Poona Pact will mean only the unjustified increase of Namasudras and Rajbansis who are well-organised, are in no sense backward and who have always succeeded in holding their own against caste Hindus.

In these circumstances why should the Poona Pact be regarded as sacrosanct? Why should it not be revised and replaced by a system of joint electorates with reservation of seats proportionate to the population strength of the sub-castes which are ultimately to be scheduled as 'Depressed'.

We are glad that the Bengal Provincial Hindu Sabha is organising a representative conference of all sections of the Hindu Community which will meet at an early date to finally consider these matters. The occasion is important and oppor-

tune and in order to safeguard the future of our province and to enable the system of Provincial Autonomy to function in an atmosphere of good-will, so as to divert the energy of a section of our youths from the unfruitful channels of anarchism and terrorism, it is necessary that the Communal decision and the Poona Pact be considered in the light of the above manifesto and resolution passed on the lines therein indicated.

It is well for the Bengali Hindus to remember that the proposed visit of Mahatma Gandhi to Bengal in February avowedly for the uplift of Harijans is likely to be misinterpreted in certain quarters in England as acceptance and approval of the Poona Pact by the Bengali Hindus. While many of us sympathise with and will help any movement directed to the social uplift of the depressed classes it would be suicidal to allow the Harijan movement to be exploited by designing persons for the purpose of dividing the Bengal Hindus into two fighting camps. It is, therefore, necessary that before the Mahatma's movement materializes, the Hindus of Bengal should record their verdict on the Communal Decision as well as the Poona Pact in unmistakable terms.

The All Bengal Hindu Political Conference

CALCUTTA—18th. & 19th. JANUARY 1934

The All Bengal Hindu Political Conference commenced at Hrishikesh Park, Calcutta, on the 18th. January 1934. Delegates from all districts of Bengal attended the Conference. The proceedings of the day commenced with two inspiring songs from the pens of Messrs. Atul Prossad Sen and G. S. Dutt.

Chairman's Address

Mr. B. C. Chatterjee, Chairman of the Reception Committee, then delivered his address extempore. In course of his speech Mr. Chatterjee said that they had assembled that day at the Conference to record their decision on a very momentous issue, which vitally affected the Hindus and through them the whole of India. The question before them was whether they as Indians should continue to be members of a slave nation or whether they, Hindus and Mahomedans, were going to be free men.

Taking full cognisance of the fact that the Hindu Mahasabha was an accredited public organisation in the Empire it was necessary that the delegates of that august body should give all the seriousness that they were capable of to the consideration of matters that would be brought before them. He would like to draw the attention of all present to one important fact and it was this that the Hindus of Bengal, of the Punjab and other provinces of India were one and indivisible. The Bengal Hindus stood behind the Hindus of the rest of India as the rest of Hindu India would stand behind the Bengal Hindus.

Referring to the attacks to which the Hindu Sabha had been subject, Mr. Chatterjee said that it had been attacked by two sections of people—one who were communists themselves and wanted a communal Government and the other comprised of people who had rendered great services for the country. The opinion of the former did not deserve any attention.

In reply to the second group he would say that the Hindu Sabha had all along been advocating joint electorate which was the elementary principle of democratic Government. Under the circumstances he failed to see how the charge of communalism could be laid at the door of the Hindu Mahasabha. Then replying to the contention that the communal Award was a settled fact and that the British Government would stand adamant by their resolution. Mr. Chatterjee said that there was no such thing as settled fact and being adamant in politics. He would respectfully suggest to all present at the Conference that they should take steps to call an All-India Conference of Hindus and concentrate on the one question of Communal Award. He was sure if they could carry on such an intensive propaganda they would be able to amend the Communal Award. He hoped that each one of them when he would go home that evening should not sit idle but try in his own way to nullify the Communal Award.

Presidential Address

Mr. *Harendra Nath Dutt* then proposed *Bhai Paramanand* to the chair. The proposal was seconded by *Sicami Satyananda* and carried.

In the course of his speech, *Bhai Paramanand* said :—

"Constitution of the country should be above all communalism and communal considerations. The Communal Award is the basis on which the edifice of the White Paper scheme is constructed. The Hindu Mahasabha, therefore, in opposing the Communal Award, attacks the very foundation of the White Paper. An assembly communally constituted can never be a body fit to exercise the responsible government. It is just the opposite of what a democratic assembly should be. It is quite immaterial whether such an assembly is granted full or part powers of Responsible Government.

"We all know how the Hindu-Moslem unity formed a favourite plan of achieving independence with Mahatma Gandhi and how in India and in England Mahatma Gandhi made offers of blank cheques to the Moslems to gain his end. Now taking politics to be a game of chess, we have to note that when Mahatma Gandhi was making so great a sacrifice to unite the Hindus and the Moslems, the British Government was thinking and planning to create a split even amongst the Hindus by setting up another Hindu minority i.e., the depressed classes within the Hindus. Mahatma Gandhi wanted to settle the Hindu-Moslem problem of India in an open and frank manner and the British Government has created another problem for him, to the solution of which he has now devoted himself. Mahatma Gandhi's chief lieutenant, Pandit Jawaharlal thinks altogether in a different line, and perhaps does not quite believe in Mahatma Gandhi's methods. He does not now care much for national independence as he cares for his communistic views and the rule of the masses in the country. For, to Pandit Jawaharlal Nehru the communal problem to which Mahatma Gandhi has devoted all his attention and energies, is now of no value. He is quite wrong in thinking that the Moslem masses in India have risen above their religious and communal aspirations.

"I do not think that any kind of socialist or communist principle can make any headway in India unless the people are perfectly free and untrammeled by limitations of a foreign government to evolve a new form of society in this country for themselves.

Speaking about the problem of Hindu solidarity and unification of all creeds, classes and castes of Hindus, the Bhaji said : Lack of a strong social instinct has been the real cause of the weakness of the Hindus. The fact came into prominence during the period of Hindu-Moslem riots in this country. The simple consciousness of this weakness gave an impetus to the Hindu unification movement. The Hindu Sabhas were started throughout the country. A strange conception has deliberately been made to prevail in the country that the Hindu Mahasabha is a communal body and stands for communalism. The more we repudiate this charge, the more often it is repeated by those who being Hindus in name, in fact are anything but Hindus. They do not appreciate the difference between the aggressive and defensive movement and cannot even see as to how injuriously such a position effects the cause of nationalism.

Referring to the Ajmer speech with regard to their co-operation with Britain the speaker said :—To my critics and opponents I have to say one thing that I do not think that politics is a religious creed or a dogma that must hold good for ever. In my view politics is a game of chess and the movements in that game have to be changed and modified in accordance with the outer circumstances. For instance, I never believed in the theory that our Swaraj could be obtained through Hindu-Moslem unity. The more we stressed it the greater hope we raised in the minds of the Moslems and the greater reason we supplied to the Government to use their influence to prevent it. All these attempts on our part were sure to be frustrated.

Condemning the White Paper, the President said : It has been very often said that the Hindu Mahasabha has not come out to condemn the White Paper. With regard to this charge, my explanation is very simple. We are opposed to the White Paper just as much as any body else is. But our reason for specially protesting against the Communal Award is that while the safeguards and powers that are reserved to be used by the Viceroy and the Provincial Governors in the White Paper could only be used in times of emergency and were in a way to serve as the last line of defence by the government, we have got in the very nature of

the composition of the Communal Award the first line of defence which could be of service to the government in normal times.

The Central Assembly constituted of so many various sections would only represent their sectional interests and its members would always be looking towards the government for favours without any feeling for the common good of the country. The object of reducing Hindus into a minority in the Central Assembly is clearly to make the opposition quite impotent. The States' representatives would form the second line of defence for the government. The Assembly so communally constituted can never be a body fit to exercise the responsible Government. It is just the opposite of what a democratic Assembly should be. The Award is the basis on which the edifice of the White Paper scheme is constructed. It is quite immaterial whether such an Assembly is granted full or part powers of Responsible Government. The Hindu Mahasabha, therefore, in opposing the Communal Award, attacks the very foundation of the White Paper scheme.

So far as the Communal Award is concerned, I do not think it was needed at all. It was just to prepare the minds of the people for this Award that a strange theory was given publicity to that. No constitution could be framed without the settlement of the Hindu Moslem question. On the other hand, I think that no constitution is worthy of having, which starts with such a strange assumption. Constitution of the country should be above all communalism and communal considerations. But even taking it granted for a moment that the Hindu-Moslem settlement was essential, there was the Lucknow Pact which could be taken as the starting point. But in case the Moslem community, not being satisfied with the Pact to which they had agreed a few years before, wanted special protection for themselves as a minority community, the League of Nations has settled the question of the minorities' Treaty to which Britain and consequently India was also a party. Then again the Simon Commission finding out the impossibility of any such mutual agreement, had given their decision about this problem. In the face of all these facts, the Communal Award has been imposed upon us by the arbitrary wish of the Secretary of State merely for the purpose of satisfying the Moslem community in order to secure their friendship and co-operation.

Lastly I come to the Poona Pact. Poona Pact is an evil because it is a part of the Communal Award. If the Communal Award is vicious, surely the corollaries that arise from it are also vicious. I think Mahatma Gandhi's fast and its consequences were not properly thought of. Mahatma's determination to change only this part of the Communal Award was not likely to meet with such opposition in India. Instead of taking up this small point, Mahatma Gandhi ought to have carried on his war against the whole of the Communal Award.

Criticising Mr. Jinnah, *Bhai Parmanand* said that Mr. Jinnah was all along stressing on his 14 points but those questions were almost solved, he was now speaking of communal Unity. The Anti-Communal League which had been started in Bombay, would not be able to bring unity amongst the communities. So the speaker warned the people against the League. Concluding, the speaker said that great injustice had been done to Bengali Hindus by the Communal Award. They should fight tooth and nail against this Award.

SECOND DAY—CALCUTTA—19th. JANUARY 1934.

Resolutions

The following resolutions were moved and carried to-day :—

1. CONDOLENCE

This Conference of the Hindus of Bengal records its profound sense of sorrow at the death of Mr. J. M. Sen-Gupta, Dr. Annie Besant, Mr. V. J. Patel, Mr. Devamitta Dharmapal, Mrs. Kamini Roy Chowdhury, Sj. Jagadananda Roy of Santiniketan, and Prof. Chablanji.

2. EARTHQUAKE IN BIHAR

This Conference of the Bengal Hindus records with deep sense of sorrow and horror at the havoc created and at the enormous loss of life and wide-spread destruction of properties occasioned by the recent earthquake in Muzaffarpur, Jamalpur, Patna, Gaya, Darjeeling and other places which is beyond human control.

This Conference further appeals to the people of Bengal to help the distressed by opening special fund for the purpose.

3. COMMUNAL AWARD

This Conference of all sections of the Hindu community is of opinion that the Prime Minister's decision which has been incorporated in the White Paper is inequitable, irrational and anti-national, and cannot be accepted by the Hindus of Bengal for following among other reasons :—

(1) In the words of the Montague-Chelmsford Report, 'Division by creeds and classes into separate electorates means the creation of political camps organised against each other.' The communal decision makes 'community-tight compartments' the corner-stone of the scheme and goes counter to all principles of democracy.

(2) Separate communal electorates ostensibly introduced as a minority right are under the decision, to be used in Bengal as an instrument for the assertion of communal ascendancy by the majority community, viz., the Moslems, who form 54.8 per cent of the total population.

(3) The Hindu minority, by reason of their position, their public spirit, their wealth, their advance in education, their enterprise, their sacrifices, their benefaction, their social service and their contribution to the public revenues are equitably entitled to suitable weightage. But in the Prime Minister's decision, while the principle of weightage plays a conspicuous part and in Bengal has been applied to Europeans (who are given a weightage of 25.00 per cent), Anglo-Indians (who are given a weightage of 8,000 per cent) and the Indian Christians (who are given a weightage of 300 per cent) and to the Moslems in every province where they are in a minority (e. g. 117 per cent in Bombay, 130 per cent in Bihar and 200 per cent in the C. P.) not only are the Bengali Hindus, who form the minority community, not given any weightage but the seats allotted to them fall short of their legitimate quota even on the population basis by 18 on the same standard of weightage granted to the Moslems.

4. POONA PACT

This Conference of all sections of the Hindu community of Bengal is of opinion that in case the communal decision should be thrust upon the Hindus of Bengal then in the interest of the political progress of this province, the Poona Pact, so far as it relates to Bengal, should be revised so as to provide a system of joint electorate with reservation of seats proportionate to the population strength of the sub-castes which might ultimately be scheduled as 'Depressed.'

The Conference appoints a committee (with power to co-opt) to bring about such revision of the Poona Pact (preferably by amicable settlement among the different sections of the Hindu community of Bengal) in consultation with the Bengal signatories of the Poona Pact.

5. THE WHITE PAPER

This Conference of all sections of the Hindu community of Bengal is of opinion that the White Paper constitution does not represent any appreciable improvement upon the existing constitution and as such is not acceptable to the Indians in general and is specially unacceptable to the Hindus on account of its communal proposals.

6. ALL PARTIES CONFERENCE

This Conference condemns the exclusion of the consideration of the communal decision of the Premier from the All-Parties' Conference proposed to be convened at Bombay, inasmuch as such exclusion will in effect create impression that all-parties in India are agreeable to the communal decision, and it will simply strengthen the hands of the communalists.

7. BOUNDARY QUESTION

The Conference is of opinion that a Boundary Commission as recommended by the Simon Commission be appointed and Bengal be reconstructed on her geographical, ethnical and linguistic basis so as to include the portions which rightly belong and belonged to her.

8. OFFER TO MOSLEMS

The Hindus of Bengal once again repeat their offer to the Moslem majority of the province that on the basis of an All-India system of joint electorate, pure and

simple, forming the only basis of democracy they are prepared even as a minority to forego all their claims to protection through communal electorate and reservation of seats which they regard as running counter to every form of responsible Government which the country has been struggling, suffering and sacrificing so much to achieve.

There was a heated discussion over the resolution regarding the Poona Pact. Two amendments were moved, one by *Sj. Rebati Mohan Lahiri* which sought to add the words 'by the committee' after the word 'Depressed' at the end of the first sentence and the other by *Sj. Sanat Kumar Roy Choudhury* who wanted the resolution to begin with the words 'that if the Communal Award be forced upon the Hindus of Bengal then'. Replying to the first amendment *Mr. Hirendra Nath Dutt*, the mover, said that it was not likely to improve matters for the ultimate power to decide which castes should be scheduled as depressed did not lie with the committee—it lay with the Government which was not bound to accept the committee's recommendation. Under the circumstances he appealed to the mover to withdraw his amendment which was done. Replying to the second amendment he said that he was prepared to accept it and this led to the clause 'in case the communal decision should be thrust upon the Hindus of Bengal then' being incorporated in the resolution.

After the day's business was over, *Mr. B. C. Chatterjee*, Chairman of the Reception Committee, in course of proposing a vote of thanks to the chair said that Bhai Parmanand in his younger days had been a student of the Presidency College. He thought that because he had read in a Bengal College and had lived in Bengal for a long time he had been able to become so great. (Laughter). He thanked the delegates for their kind attendance and the volunteers for the splendid way they had acquitted themselves.

The Conference then came to an end.

The Sind Hindu Conference

Presiding over the Sind Hindu Conference which was held at the Khalikdina Hall, Karachi on the 31st. March 1934, *Mr. Lalchand Navalrai* said :—

"We should look ahead and diagnose our own disease, for the salvation of the Hindu minority lies in unity alone. We have sense enough, but we are not well organised. We must put our house in order. Sectional prejudice and jealousy from top to toe, from urban areas to rural places, are our besetting sin. Panchayats are disintegrated and there is not that cohesion, which is of the utmost importance for the minority community. The new Panchayat system is coming in and I am glad that taluka local boards are being abolished but on account of the consequential friction which elections cause, there is the danger of people getting still more degenerated. Unless it is recognised that all such institutions should be worked from the point of view of the common interest of the whole community, it is the distinct duty, nay an imperative necessity, for the minority community to gather together like brothers and organise to work in their best interest. Safety lies in united action."

The separation of Sind, which is opposed strongly by Hindus and which is causing them anxiety was the main subject of the President. He accused *Mr Ramsay MacDonald* and the British Government of having gone back on their word on the question. The Sub-Committee of the Round Table Conference, presided over by *Lord Russel*, had decided that "if Sind cannot show that it can stand successfully on its own legs, separation does not take place." The Sind Moslem leader *Sir Shah Nawaz Bhutto*, who was also a member of the Russel Committee, had also declared that Sind was not a deficit province but, if it was bound to be, he would not ask for separation. But, when afterwards, the Sind Financial Enquiry Committee had proved Sind to be a deficit province and showed that separation of Sind would involve annually a subvention of a crore of rupee, both Moslem leaders

and the Premier had turned round and the latter declared at the Second Round Table Conference that now the Government of India would be asked to find ways of meeting the deficit.

Mr. *Navalrai*, therefore, regretted that separation of Sind should have been agreed to in the White Paper which, he said, "has offered to separationists, apparently unasked and uncalled for, by charity, such a large subvention from the federal finances of India, against the interests of other provinces, of which Bengal has already recorded an emphatic protest. I have no faith in the face of the present financial stringency of other provinces and the Government of India that the expectations of the Federal Finance Committee to have funds to be distributed in the manner proposed would be at all fulfilled. The subvention is vicious and in principle nothing more than civilised spoliation assisted by constituted authority. I hope and earnestly trust that the British Parliament will, after all, rise to the occasion and vote the proposal contained in the White Paper."

"We do not want to walk with borrowed crutches, which may fall down any moment. It is no doubt an impracticable task for central finances to provide a crore for Sind, about half a crore for Orissa and also prop up the Frontier Provinces with a huge subvention to which the Government of India has already committed itself. Sir *Frederick Sykes*, ex-Governor of Bombay, whose authority on the point could not be disputed, is reported to have publicly stated recently in England that each province should pay its own way, before it can be endowed with autonomous Government. It, therefore, is the duty of the Government of India not to stand aside but make it quite clear to the British Government that they are doing a great injustice by this policy of subvention."

However, if separation of Sind was forced on Hindus, Mr. *Navalrai* would urge for special safeguards for Hindus, including introduction of joint electorate, equality of franchise for both Hindus and Mahomedans, grant of 40 per cent seats to Hindus on the Sind Provincial Legislative Council and one ministership for Hindus.

RESOLUTIONS—SECOND DAY—KARACHI, 1st. APRIL 1934

1. SEPARATION OF SIND

Decisions of far-reaching importance were reached at the conference on the second day, the 1st. April.

Determined opposition to the contemplated move on the part of the British Government towards separation of Sind, which was the main subject discussed by the Conference, was expressed in the following resolution, moved by *Rai Bahadur Hiranand Khemsingh* :-

"The Sind Hindu Conference registers its emphatic protest against the contemplated separation of Sind from the Bombay Presidency and earnestly appeals to the British nation and its Parliament, His Majesty's Government and the Government of India not to take that calamitous step, among others, for the following reasons:

(a) That the Bombay Provincial Committee, attached to the Simon Commission, presided over by Sir Shah Nawaz Khan Bhutto, Muslim leader of Sind, rejected the proposal of separation on administrative and financial grounds and the Simon Commission made no recommendation for the separation of Sind.

(b) That when the question of the separation of Sind was taken up for consideration at the Round Table Conference, grave injustice was done to the Hindus of Sind, who despite repeated demands, were given no opportunity whatever to represent their case directly to the Round Table Conference although the Muslims of Sind were given two representatives therat.

(c) That the decision of His Majesty's Government in the White Paper regarding the separation was a purely *exparte* one and based on mis-statements by the Muslim delegates, who taking undue advantage of the absence of Sind Hindus, stated wrongly that all communities, including Hindus, Parsis and Europeans, were in favour of the separation of Sind.

(d) That incorrect and misleading statements to the effect that Sind was financially a self-supporting province were made in the Russel Sub-Committee to commit itself to the principle of separation but in doing so the late Lord Russel was careful enough to put on record on behalf of his Committee that 'the recommen-

dation of this Sub-Committee is that, if Sind cannot show that it can successfully stand on its own legs, then separation does not take place'.

(e) That the Miles Irving and Brayne Committees, appointed by the Government in pursuance of the finding of the Russel Committee quoted above, having found that the basic deficit would be any sum between 80 and 110 lakhs of rupees per annum and in view of the said statement of Earl Russel made on behalf of the whole Committee, the proposal of separation ought to have been dropped as impracticable by His Majesty's Government.

(f) That the suggestion of subvention to separated Sind on the part of His Majesty's Government evidently made to placate Indian Muslims is an unwarranted burden upon the tax-payers of the whole of India, who have never agreed to pay for new Provinces that cannot support themselves.

(g) That ultimately on account of Federal exigencies, subventions will be either reduced or entirely abolished, resulting in crushing burdens of taxation on the people of Sind, who are hardly 38 lakhs in number, pursuing merely in agricultural occupation without any sources of industrial and mining wealth.

(h) That in view of the present depression in trade and the low value of agricultural produce, the revenues of the Sukkur Barrage will never realize even the lowest forecasts of its income and the separation of Sind is sure to involve a greater deficit than reported by the two committees and, therefore, it is premature and unwise to separate Sind and incur financial responsibilities which may prove ruinous to the Province.

(i) That the separation of Sind, as acknowledged by many eminent authorities as being administratively ruinous and economically unsound, is pressed not upon any intrinsic merit of its own but to hold the Hindus of Sind as hostages in the event of bad treatment of the Muslim minorities in the other Provinces as given expression to by certain Muslim leaders themselves.

(j) That after the promise of separation there has been greater insecurity of life and property of the Hindus and violation of the honour of Hindu women at the hands of Muslims and the position will worsen after separation, with the provincial administration of legislation in the hands of a highly communal Muslim majority.

(k) That the Government of Bombay, which had Sind with itself for over eighty years and whose opinion should have carried considerable weight, had at no time expressed a desire for the separation of Sind and on the contrary was definitely against such a step and expressed itself so in the official documents submitted to the Government of India and His Majesty's Government."

2. WORK IN LONDON

The Conference also resolved to call upon Hindus in Sind to leave no stone unturned until the proposed separation of Sind was set aside and for this purpose called upon them to raise funds to send a deputation to England this year to enlist the sympathy of, and place their case before, the members of Parliament, the British public and the British statesmen and to continue to maintain the London office, started by the late Professor Chabiani till Parliament finally deals with the matter.

3. SAFEGUARD

What should be the safeguards granted to Sind Hindus if, after all their attempts, separation of Sind was decided upon by the British Government, were described in the following resolution :—

"This Conference resolves :

(a) That the Hindus in Sind are on principle opposed to communal electorates or reservation of seats for any community in any form or at any stage. That they are entirely in favour of joint electorates as the only way of promoting Swarajya, communal peace and harmony.

(b) It endorses the official view that the consent of the communities concerned is necessary for any communal settlement and in that view asks for the maintenance of the status quo as regards the existing communal position and the arrangements in the existing constitution pending any new settlement among the communities.

(c) But, if in spite of the pronounced views of this Conference, the British Parliament upholds the Premier's Communal Award and further resolves to separate Sind, it requests that the following changes be made in the Award and the new constitution as touching the Hindus of Sind :

(1) That their representation in the Sind Legislative Council should be forty per cent of the elected total.

(2) That the Hindu voters, being the principal minority, should be placed on a special electoral roll and that voters of non-Hindu minorities be placed on the electoral rolls of the Muslim majority.

(3) That the Hindus should be allotted at least two seats in the lower house of the Federal Legislature and one in the upper house.

(4) That in all matters pertaining to law and order and the Sukkur Barrage, the Governor should have special powers of interference, superintendence, control and direction to protect and safeguard the minorities and to see that trade, commerce and industry are not unduly taxed by the Legislative Council, dominated by the Muslim Zamindari interests.

(5) That the present Judicial Commissioner's Court should be made a chartered High Court of the Province with Judges appointed by His Majesty the King Emperor and entirely independent of the political influence of the Executive Government.

(6) That the Governor should be empowered to see that the proposals for taxation should not throw a disproportionately heavy burden on the minority communities.

(7) That the majority community should get preferential treatment for (a) Recruitment; (b) admission and grants etc. to educational institutions; (c) acquisition of property, and, (d) that discriminatory laws, like the Land Alienation Act, should be interdicted."

QUESTION TO LEGISLATURES

The Conference called upon the Hindus of Sind to make earnest efforts to contest all future elections to the legislatures.

The Conference also passed over a dozen other resolutions, dealing with various grievances and needs of the Sind Hindus.

The Frontier Punjab & Sind Hindu Conference

The Welcome Address

The Frontier Punjab and Sind Hindu Conference opened its session at Peshawar on the 28th April 1934. One thousand delegates were present and distinguished visitors present included Pandit Malaviya, Bhai Parmanand and prominent Frontier Muslims.

Rai Sahib Mehrchand Khanna, Chairman of the Reception Committee welcoming the delegates dwelt on the needs of the Frontier minorities, their difficulties and the dangers which were aggravated after the reforms, the change proving worse as the majority community used their power mercilessly. Measures like the Regulation of Accounts Bill were passed unpromisingly. The legislative weapon, however, was but one in the well-equipped armoury of the majority community. There had been suggestions of economic boycott. In view of abductions and conversions, Rai Saheb Mehrchand Khanna advocated the insertion of a provision in the Penal Code prohibiting conversion of minors from Hinduism to Islam and vice versa. Departmental measures should be taken for employment of Hindus in Government service. "Our educational institutions are starved. Our position as a self-respecting minority is slowly but surely being undermined", he said.

Mr. Khanna also referred to Sir Mahomed Iqbal's Pan-Islamism. If steps were taken to turn the dream of Pan-Islamism into a reality, the Hindus of the Frontier, the Punjab and Sind would be the first and foremost to suffer. He also explained the importance of Frontier Hindus, who contributed over eighty per cent of the income-tax, owned extensive properties and invested large sums in the province. They formed thirty per cent of the literate population against three per cent of the Muslims. He voiced the Hindus' keenness for safety of their life and property and

honour of their women, because some of them lived scattered on or near the border where easy manufacture of arms was no secret.

The Presidential Address

Raja Narendranath then read his presidential address. The following are extracts from the address :—

The new constitution has not yet come into force. I do not know what course different political parties will adopt. The Swaraj party has been revived for entry into the Assembly. It is, however, not yet known whether this party will seek entry into Provincial Councils when Provincial autonomy is introduced; and whether the

the Hindus of majority provinces to their co-religionists in minority provinces I am not despondent for nowhere does the Hindu minority ask for special treatment or put forward claims which impose any impediment on political advance. On the contrary, our plan of treating minorities, while paving the way to nationalism, is most conducive to complete Self-Government, and to the full assertion of the right of the majority to rule.

The programme of the Mahasabha and the activities of some of its enthusiastic workers have been subjected to considerable criticism. I should like to say a few words on the aims and objects of the Mahasabha. In doing so I am conscious that I am addressing a wider audience than the one before me. The Mahasabha was established about 17 years ago. The Muslim organisations had been in existence long before. The Hindu leaders of the time thought that the separatist tendency of Muslims, initiated and inspired by their organisations must be checked. The political leaders were of opinion that the best way of evolving a nation was to begin by "uniting the Hindus more closely as parts of one organic whole and to promote good feelings between the Hindus and other communities in India and to act in a friendly way with them." Under the conditions which existed then and which have existed since, no other way of evolving or building up a nation is conceivable. The institution of caste is peculiar to the Hindus and though it served a purpose in the Hindu history, there is not the least doubt that it has stood in the way of creating a feeling of religious fraternity, which the followers of other religious evince. Brotherly feeling between different communities, one of which lacks brotherly feeling amongst its own constituents, is to me inconceivable.

The Mahasabha is not a religious body. It may help religious and social reforms but religious and social reform is not its first and avowed object. It wants to foster the idea of Hindu brotherhood amongst the Hindus as a whole, whether they are strict conservatives, (Sanatanists) or men of advanced views, progressive liberals, or radicals, you may have to wait for a century or more before the endogamous character of caste is broken. The whole community may be divided into the groups, "changers" and "no changers," and these groups may last for generations. In the meantime the Hindus cannot be left without guidance and without a rudder. They cannot be allowed to be split up over difference about retaining or abandoning the endogamous character of caste.

Some of our critics maintain, that economic interests will in future be the only uniting force in human society. The ideal commends itself to some amongst the rising generation as it is believed that it will be possible thereby to over-ride other barriers, which the society has framed. I should like to examine the proposition a little more closely. Is it possible that economic interests would be a stronger bond of union than all others which may exist? Is no other platform of union needed? Whether such a union replacing all other links of union would be desirable? Amongst the links of union, other than economic, I may mention the following local contingency: common language; common social institutions including what was termed personal laws; laws relating to marriage and succession to property and if these are intertwined with religion as they are in India, then common religion; and common race. I deliberately omit to mention culture for the term is vague and undefinable. Assuming that it conveys some meanings, I hold that a progressive society should not be conservative about its culture. Economic interests mean nothing more than immediate and palpable self-interest of individual citizens composing a State. Those who look upon economic interests as a healthy uniting link worth fighting for cannot with any show of consistency condemn pur-

suit after the "loaves and fishes of office" as an unworthy object. For under the present conditions in India, specially in the Punjab and your province, there are few other avenues of livelihood open to respectable Indians. When offices are bestowed on the basis of caste and creed conflict between castes and creeds is due to diverse economic interests.

But there is nothing in the aims and objects of the Mahasabha which imposes an impediment on the score of difference in religion on the combination of different classes and communities, if their economic interests are common. Such combinations are by no means uncommon even now. On the contrary, the Mahasabha has always been opposed to a policy of discrimination on the grounds of religion for the acquisition of civic rights. It has always advocated that difference of religion should not be allowed to come to the fore and a constitution which allows and encourages discrimination in civic rights on the basis of religion must be condemned. The political creed of the Mahasabha is misunderstood and misinterpreted. The Mahasabha is as keen on the attainment of Swaraj as any other body. But it postulates that inter-communal relations should be so framed as to lead to Nationalism. For this, it is necessary to base the constitution on the following propositions :—

All minorities should be treated on a uniform principle with a view to the eventual merger of minorities in majorities.

The constitution should provide that communal or a caste label gives no claim to the acquisition of any civic right and creates no preferential ground for the acquisition of any such right.

The Muslims are a united religious brotherhood. The policy of the British Government has given them immense communal solidarity. They are treated as one and separate political entity. In the present age, in which communities are reckoned as separate "Political entities" the Hindus are far from being an entity. They are split up into caste Hindus and untouchables, "Brahmins" and "non-Brahmins", Mahrattas and non-Mahrattas and in the Punjab into agricultural and non-agricultural castes. At an informal meeting in connection with the first Round Table Conference in London, a prominent Liberal member who has no pronounced sympathies with the Mahasabha, remarked that the Hindus even in Provinces in which they were in a majority were not an effective force. Their superiority in education tends to disunite them. As long as each class is to be counted as a separate political entity, it is necessary that the Hindus should conduct themselves as a political entity. Muslims and Christians are separate political integers but Hindus are fractions constituting an integer. The moment the principles advocated by the Mahasabha for the treatment of classes and communities are adopted by those who frame the constitution, the moment the practice of classifying Indians as political groups or entities ceases, from that very moment communal solidarity for the Hindus will cease to be preached from the political platform of the Mahasabha. It will then remain only a problem of social reform preaching equality as a stepping stone to nationalism, for equality between the Hindus and non-Hindus must be preceded by equality amongst the Hindus themselves. Untouchability is the extreme form of the malady which permeates the Hindu society and manifests itself in some shape or other.

The President then proceeded to examine the Frontier Hindus' case as presented by Rai Sahib Mehar Chand Khanna before the Joint Select Committee of Parliament. He said : In his representation, the Rai Sahib has given the number of Hindus and Sikhs in each department of the services. I do not know, what are your special plans for securing your proper share in services. But I see no reason for changing the opinion that I have always held about the policy on which recruitment to services should be made. It should be strictly on merit. No one should be prejudiced on account of his caste or creed for holding an office or for being recruited for an office. The Hindus in this province are as advanced in education as their co-religionists in other provinces. In several departments the proportion of Hindus is less than even their proportion in the population, whilst they turn out a much larger proportion of graduates and under-graduates. The obvious inference is that many Hindus are refused recruitment on the ground that they are Hindus. The present discriminative policy may not be opposed to the letter of the law as it exists, but is certainly opposed to its spirit. If a man is not to be disabled from holding an office on account of his caste or creed, he is surely not to be disabled on that account for recruitment.

There is surely no reason why Hindus in N. W. F. P. should not be treated in the same sympathetic spirit as are the Muslims of U. P. which is the only Province

where Muslims come abreast of the Hindus in education. You have suggested the appointment of a Public Service Commission. I do not know when the finances of this province will allow the appointment of such a Commission. Till such a Commission is appointed, you may consider the advisability of a certain proportion of the services being guaranteed to you, that proportion being counted after a full examination of the number of Muslims in the service of those provinces in which the Muslims are in a minority.

With regard to arrangements for the teaching of Hindi and Sanskrit I observe that every facility should be given for education in the language and literature with which the traditions of a minority community are indissolubly bound up. Special institutions for the education of Muslims and supported by the State are to be found in other provinces. The N. W. F. P. is the only province, where there is no Government or Board School in which Hindi is taught. Even Sanskrit teachers are retrenched. Under the present dyarchic constitution the Governor is directed "in the Instrument of Instructions issued by the King" to take care that due provision shall be made for the advancement and social welfare of classes who on account of "the smallness of their number" rely on the sovereign's protection. Under the new constitution outlined in the White Paper protection of minorities is almost the special power of the Governor. You should, therefore, approach His Excellency the Governor and ask him to intervene if the Minister fails to meet your legitimate demands.

Before I conclude, I should like to give you a friendly advice. I shall be sorry, if as the result of this Conference your friendly relations with your neighbours inside the province or in contiguous areas are perturbed. My tale of woe discloses grievances, but I complain against the present Nationalist Government, which has treated us in a step-motherly manner and against Hindu leaders who have purchased a modicum of Swaraj by acquiescing in the sacrifice of our legitimate interests. I also complain against the policy adopted by the British Government and followed for the last 50 years which is responsible for the atmosphere in which we find ourselves.

A struggle is unavoidable to a certain extent, where there is a conflict of interests. But in spite of it I would ask you to maintain amicable and friendly relations with your neighbours. Measures for the economic development of tracts beyond your border and for the economic advancement of the tribes outside your province should be supported by you. There is much truth in the saying of Hafiz. "On this blue vault it is written in letters of gold, that the only things which last are the good deeds of virtuous men."

Proceedings and Resolutions

Opposition to the White Paper, Communal Award, separation of Sind, expunging untouchability, demand for an Assembly Committee of Hindu members triennially to scrutinise the working of the Frontier Government whether Hindu interests are properly safeguarded, adoption of joint electorates, due shares of the Hindu minority in the administration of the Frontier and representation in the future Cabinet were the main characteristics of the resolutions adopted by the Conference.

1. CONDOLENCE

The sitting opened with resolutions, put from the Chair, condoling the deaths of Hindu leaders, including Mr. V. J. Patel, Sir C. Sankaran Nair and Prof. Chabiani and expressing sympathy with the Bihar earthquake sufferers.

2. REPRESENTATION ON EXECUTIVE COUNCILS

Then followed a heated debate on *Rai Sahib Meherchand Khanna's* resolution claiming for the Frontier Hindus, a proper share in the provinces' administration including the Cabinet and services and suggested 30 per cent reservation in services for Moslems and 70 per cent thrown open to competition through the Public Service Commission. Frequent references were made by speakers to the educational policy of Sir Abdul Quayum Khan, Minister of the Frontier Government.

Bhai Parmanand, participating in the debate, referred to the constant representation of Moslems on the Executive Councils of Bihar, Madras, Central Provinces, United Provinces and Bombay, whereas representation was denied to Frontier

Hindus, whose co-religionists contributed substantially to the coffers of the Central Government which gave a subvention of one crore to the Frontier and one crore twenty-five lakhs to be spent on the Watch and Ward special services and strategic railways where Hindus were represented.

3. WHITE PAPER CONDEMNED

Through the resolution moved by *Rai Bahadur Durgadas* of Lahore, the Conference disapproved strongly of the White Paper scheme for its enormous defects, especially the fundamental wrong of the Communal Award, which was grossly unjust to Hindus, because a responsible Government cannot be built on division of the people into fixed communal groups. The mover in a spirited speech condemned the division of India into communal groups saying that communalism was more dangerous than civil disobedience. He appealed to the British Government's sense of self-preservation to do away with the award.

Prof. Mukherjee of the Lucknow University also strenuously opposed the White Paper as a double gift. Whatever dose of reform was being given to India, it was constitutionally overloaded with safeguards, having fundamental defects on which democracy could not be based. Attempts must be made not to allow this cargo to arrive in India. He criticised Sir Samuel Hoare's "political arithmetic," which reduced Hindus from a 45 per cent to 35 per cent minority and refused to the Sikhs the treatment meted out to Moslems in the United Provinces. The resolution was unanimously adopted.

4. JOINT ELECTORATES IN PROVINCES

The Conference also adopted a resolution moved by *Rai Bahadur Dewan Chand* (Peshawar) recording the deliberate opinion that no constitution was worth having which was not based on pure and simple joint electorate in provinces for all communities to the Central and Federal legislature.

Pandit Malaviya, speaking on the resolution, welcomed the Frontier Hindus' move to offer joint electorates to 93 per cent of Moslem majority. He traced the history of separate electorates which was highly injurious to the national interests, but Government encouraged Moslems to stick to them. The present unhealthy state of affairs would vanish and all parties would gain by Swaraj. Separate electorates resulted in separate blocs and nobody had a right to rule by 51 or 52 votes.

5. SIND SEPARATION

Mr. Jagat Narain, Secretary of the All-India Hindu Maha Sabha, moved a resolution strongly opposing the separation of Sind when repeated enquiries into the financial aspects of the question disclosed deplorable facts that all previous estimates of the deficits were lower than was actually anticipated and all people in Sind, irrespective of caste and creed, opposed it. The separation of Sind, he said, would be a burden on the central revenues like the Frontier. He alleged that Moslem leaders like Maulana Mahomed Ali agreed that Sind should not be separated if it was not self-supporting.

Mr. Dwarka Prasad apprehended "Indian Moslems' conspiracy with Afghanistan" and in this connection referred to the Pakistan movement.

The Conference finally adopted a resolution strongly deprecating the attempts to secure legislative enactments advantageous to Moslems at the expense of Hindus and Sikhs on the ground of relieving agricultural indebtedness. Another resolution referred to the Hindu request to the Government to adopt a liberal policy regarding the grant of Arms licenses to Hindus for their safety in the Frontier.

The Moslem Polity

The All India Muslim Conference

The keen controversy which had been raging for sometime among leading Muslims regarding the over-hauling of the all-India Muslim Conference with a view to inspiring greater confidence in its activities, ended on the 15th. February 1934, when at a meeting of the executive board of the Conference *His Highness the Aga Khan*, as the sole arbiter gave his award effecting complete change of important office-bearers, appointing Nawab Sir Mohamed Saeed Khan of Chatari as chairman, Seth Abdulla Haroon, M. L. A., as secretary, Khan Bahadur Haji Rahim Baksh as working secretary, Sir Mohammad Iqbal, Dr. Shafaat Ahmed Khan and Mr. Shafi Daoodi as permanent vice-presidents, Khan Bahadur Syed Abdul Hafeez, the Hon. Mr. Hussain Imam, Mr. A. H. Ghuznavi, Mr. Mohammad Moazzam and Mr. Zahoor Ahmed as joint-secretaries.

As regards the Muslim League the Aga Khan suggested that Mr. Jinnah be appointed president and Khan Bahadur Hafiz Hidayat Hussain, secretary, but made it clear that it was not an award but advice.

The Aga Khan accepting the resignations of Dr. Shafaat Ahmed Khan and Mr. Shafi Daoodi expressed keen appreciation of their services to the Muslims of India, especially of the former's whose contribution to the evolution of reforms he described as monumental.

His Highness regretted that Sir Mohammad Iqbal could not accept the presidentship of the conference. He said he was very keen on amalgamating the League and the Conference two years ago, but now felt convinced that amalgamation if it was to come must wait.

Expressing gratification for the appreciation of his services, His Highness said : I want to serve the best interests of India and feel that they demand that India should have the benefit of Muslims and their culture, contributing to the culture of new India—the India of the dreams of all true patriot, the raj of independence, tolerance and good will.' He assured the conference of his support in future and willingness to strive for the welfare of all his co-religionists .He gave his whole-hearted support to all the resolutions passed by the meeting.

Resolutions

The meeting passed a series of resolutions deprecating the agitation to get the Communal Award altered, demanding the safeguarding of the essential and vital interests of Muslims, a statutory guarantee of Muslim representation in various services, vesting of residuary powers in the provinces, guarantee of one-third of seats for Muslims in the upper federal chamber by separate electorates, representation of Muslims in the central and provincial cabinets by those commanding the greatest Muslim following in legislatures, protection of Muslim personal laws and reforms for Baluchistan.

By other resolutions the meeting appreciated the services of the British Indian delegation to the Joint Parliamentary Committee under the leadership of the Aga Khan, and supported the demands embodied therein, viewed with great concern the delay in the inauguration of reforms, which, it regarded, was extremely detrimental to India's interests, urged that provincial autonomy and central responsibility be introduced without further delay and in no case provincial autonomy be made contingent upon the fruition of an all-India federation.

Another resolution recorded the appreciation of the interest His Highness the Aga Khan had been taking in the affairs of Muslims all the world over and requested His Highness to pay particular attention to the Palestine problem.

The All India Muslim League

The split in the ranks of the all-India Muslim League ended on the 4th. March 1934, when at a combined meeting of both sections held in New Delhi under the presidency of *Hafiz Hidayat Hussain* a resolution was passed that the cleavage be made up and Mr. Jinnah elected president of the united body. The following is the text of the resolution to this effect :

'As it is the wish of the community that the cleavage between the two sections of the All-India Muslim League be made up and as in pursuance of that wish the office-bearers of the two sections have resigned from their respective places and that Mian Abdul Aziz has expressly stated that he would also resign in favour of Mr. Jinnah and as Mr. Jinnah has expressed his willingness to accept the presidentship, it is hereby resolved that the two sections do amalgamate and that the councils of the two Leagues do combine and form a united body and that the constitution of the League adopted in 1922 shall remain in force.'

Another resolution authorised Mr. Jinnath to fix the date and venue of the next annual session of the League.

The meeting appointed *Hafiz Hidayat Hussain*, secretary, Khan Bahadur S. M. Abdulla, Mr. Anwarul Azim, M. L. A., and Shah Maswood Ahmed, M. L. A., joint secretaries.

Since the election of Mr. Jinnah to the presidentship of the All-India Muslim League speculation had been rife regarding the possible changes in its policy and the constitution with a view to according it a more representative character and re-opening its doors to those Muslims who hold more radical political views. Point had been lent to these conjectures by the existing divergence of views on the White Paper proposals between Mr. Jinnah and other leading Muslim Leaguers. Whereas Mr. Jinnah had been lately voicing his unequivocal condemnation of the entire constitutional scheme as embodied in the White Paper policy, the League had hitherto been one of according a sort of general support to them. It was quite possible that Mr. Jinnah's position in the Muslim community coupled with the pronounced views on the current political problems might offer an inducement to nationalist Muslims, and the adherents of the Jamait-ul-Ulema who had been for some time keeping aloof of the League, thinking it to be of a particular clique, might re-enter its fold. If these left-wingers as they were called succeeded in capturing the Muslim League a complete reorientation in its future policy would not come as a surprise though presently it appeared to be a very remote possibility.

New Delhi—1st. and 2nd. April 1934

The Council of the All-India Muslim League met at New Delhi on the 1st. April 1934. Mr. M. A. Jinnah on arrival was given an enthusiastic welcome. About forty members attended. Among those present were Messrs. Abdul Matin Chowdhury, Raza Ali, Hidayat Hussain, Maswood, Yakub, Hon. Abdul Hafeez, Nawab Ibrahim Ali Khan, Nawab Telib Mehdi and S. M. Abdulla. Proceedings were not open to the press.

It was understood, as reported by the Associated Press, that Mr. M. A. Jinnah made a striking appeal for unity among all Muslim organisations with a view to confront Government with united demands. He reviewed the White Paper scheme very critically.

It was further understood that Mr. Jinnah emphasised the need for propaganda outside the country and hoped to do his best in this direction when he returned to England for which place he would sail on the 23rd April. Some speakers expressed a feeling that Mr. Jinnah should stay in the country at this critical hour. Mr. Jinnah replied he could at any time come back to the country by air when needed and that he would be promoting the interests of the country in England.

It was understood that the Council had a general discussion on the present political situation. Various opinions were expressed and after about 3 hours' discussion the meeting adjourned till the next day when resolutions were taken up. The general

trend of discussion seemed to have been in favour of unity amongst the various Moslem organisations.

Mr. Jinnah was believed to have characterised the White Paper as intended to exploit Indians. He was said to have highly deprecated the proposed constitution of Federation.

Maulana Saukat Ali, it transpired, said nothing about the White Paper, but he appealed for unity. He favoured a compromise with the Hindus for, he said, if Moslems wanted to have discussion with Hindus, the latter would surely bear them.

Begum Shah Nawaz and Mr. *Yamin Khan* also appealed for unity, but were of opinion that the White Paper should not be condemned. The Moslems should think of consequences, for there would be a party in the country which would accept it and favour it. Mr. *Yamin Khan* suggested that they should have a dictator amongst the Moslems and he should be obeyed.

Mr. *Raza Ali*, though he favoured concerted action by Moslems, thought that there was no harm in having the Moslem League and Moslem Conferences as separate bodies, for they had almost an identical programme. They would, to his mind, work separately and would be able to do more work.

Second Day—New Delhi—2nd. April 1934

A few more Nationalist Muslims including Mr. Asaf Ali and others attended to-day's deliberations in their private capacity. The Nawab of Chhatari also attended to-day's deliberations.

It was understood that Mr. *Asaf Ali* addressed the Council for about an hour in the course of which he declared that Nationalist Muslims were convinced that Mr. Jinnah was a man of principle and that whatever difference of opinion existed between Mr. Jinnah, himself and Nationalist Muslims were honest differences based on principle. They were entitled to have differences of opinion and the Nationalist Muslims would take the chance to convert others to their fold. He wanted the constitution of the League based preferably on the lines of democracy, so that they might have a bigger representation of Muslim community.

It was further understood that in the course of his speech, Mr. *Asaf Ali* expressed the hope that under the leadership of Mr. Jinnah, the doors of the League would be thrown open to all and no attempt to monopolise the League would be made by any one section. It was this hope and Mr. Jinnah's return to the League, which made it possible for the speaker and his friends to come and see a change of spirit in the League. The Communal Award was a hornet and he did not want to make matters complicated by commenting on it but the White Paper was a great danger with which India was threatened. Moslems should concentrate on preventing materialisation of this danger and any action in this respect would have his support. Mr. Jinnah commanded the respect of all since he wanted India to walk along the path of progress.

It was understood, while voting on the first resolution moved by the chair, one Nationalist Moslem opposed the motion while the rest remained neutral.

Sir *Mahomed Yakub*, who also addressed the meeting, congratulated Mr. *Asaf Ali* for his presence at the League meeting after a number of years. He said that if Nationalist Muslims had separated from the League, it was of their own accord and the League did not ask them to do so. He asked what improvement Dr. Kitchelew, who was a Nationalist Muslim and who had been the Secretary of the League for four years, had made in the position of the League. In conclusion, Sir *Mahomed Yakub* welcomed Mr. Jinnah who was taking a keen interest in the League and was leading them towards unity.

Mr. *Jinnah*, in his address, made a survey of the whole situation. He appealed to the Muslims to do their best for the cause of the country and also financially assist the League. As for the call on him to lead the community, he said he was doing it to the best of his ability.

Resolutions

The Council of the League then passed the following resolutions:—

Resolved that they accept the Communal Award so far as it goes, until a substitute is agreed upon by the various communities and on that basis expressed their readiness for co-operation with other communities and parties to secure such future constitution for India, as would be acceptable to the country.

The Council strongly supports the proposal of a strong and influential deputation to wait on the Viceroy to lay before him as to how the Balfour Declaration has supported the Jews of the world to buy land and settle down in Palestine, which deprive their original inhabitants of Muslims and Christians and Arabs and ruined the peace of the Sacred Land. The Council further resolved to sympathise with Arabs in Palestine whole-heartedly and assured them of their heartfelt sympathies and support.

The meeting of the Council views with great apprehension the situation in Ajodhya and strongly condemns the reported excess committed on Muslim lives and property of the place and calls upon the Government to take speedy action for bringing the offenders to justice.

Resolved that a committee consisting of Hafiz Hidayat Hussain, Mr. Abdul Matin Choudhury, Sir Mahomed Yakub, Haji Rasid Ahmed, Messrs. Hilal Ahmed Asaf Ali, Hussain Imam, Maswood Ahmed and Mirza Md. Syed be appointed to reconsider and amend the constitution of the League to be placed before the next annual session.

Resolved that Provincial branches of the All-India Muslim League be revived and reorganized and the following members of the Council are requested to undertake in reviving and reorganising the provincial branches on their respective provinces and communicate the result of their efforts by the 30th June. Messrs. S. M. Abdulla and Asaf Ali (Delhi), Mr. Hidayat Hussain (U. P.), Mr. Abdul Matin Choudhury (Assam), Kabiruddin Ahmed (Bengal), Hussain Imam and Maswood Ahmed (Bihar) Mr. Jamal Mahomed and Syed Murtaza (Madras), Mr. M. C. Chagla and Khan Bahadur Alibaakza (Bombay), Syed Habib Khwaja Gul Mahomed Khan and Begum Shah (Punjab), Abdoolha Haroon (Sind), Abdulla Yusuf Ali (Frontier Province), Wilayatulla and Yusuf Sharif (Central Province), Syed Abdulla Jabbar and Mirza Abdul Qadir Beg (Ajmer) and Raja Gazanfar Ali (Indian States).

Another resolution, moved by the Hon'ble Mr. Hossain Imam expressed grave concern at the condition of Obeidulla Khan and requested the Government to release him immediately, on humanitarian grounds, if not on political grounds.

Mr. Jinnah's Statement

Giving his impression of the session of the Muslim League Mr. Jinnah, in an interview to the Associated Press, said :—

After two days' deliberations of the Council meeting, which was the most representative that I have seen during my connection with the League extending now to over 20 years, I must say I was immensely impressed with most of the speeches that were made there by various leaders, who came from different provinces in India. The League is perfectly sound and healthy and the conclusion I have come to is that Mussalmans will not lag behind any other community in serving the very best interests of India. To condemn the White Paper one does not require argument of reasons but one has only got to read the White Paper proposals and understand them and that is enough. But while many of us feel that this treacherous scheme is almost at our door—and I for one have not hesitated to declare my views with regard to the scheme—the problem of all problems which still confronts us is how to avert the scheme being foisted upon India. That cannot be achieved and will not be achieved until there is unity between Hindus and Moslems.

India looks forward to a real, solid, united front. Can we even at this eleventh hour bury the hatchet and forget the past in the pretence of imminent danger and close our ranks to get sufficient strength to resist what is being hatched both at Downing Street and in Delhi? It is up to the leaders to put their heads together and nothing will give me greater happiness than bring about complete co-operation and friendship between Hindus and Moslems and in this desire my impression is that I have the solid support of Mussalmans. The Council has passed a resolution which is before the public. It clearly indicates how that unity can be achieved immediately. On my return to India I have seen abundant evidence that public opinion, both Hindu and Moslem, thinks alike in terms of the political evolution of the country.

The emphasis which Moslems place on the Communal Award is only an indication of their desire to make sure that any national demand which they join to put forward on behalf of the country will incorporate the safeguards which Moslems consider to be a minimum. Moslems are in no way behind any other community in their demand for national self-government. The crux of the whole issue, therefore, is: can we completely assure Moslems that the safeguards to which they attach vital importance will be embodied in the future constitution of India?

The All India Muslim Unity Board

Muslim Support for Swarajists

The meeting of the All-India Muslim Unity Board concluded its deliberations at Lucknow on the 16th. May 1934 and the following resolutions were passed :—

(1) This meeting of the Muslim Unity Board, welcomes the announcement advising withdrawal of the Civil Disobedience Movement and approves of the revival of the Swaraj Party with its eminently practical and Nationalistic programme as outlined at its Ranchi meeting, which is in conformity with the resolution of this Board passed on 17th. December last and which has made it once again possible for progressive sections of all communities to co-operate and work unitedly for the country.

(2) While reiterating the standpoint taken up by the All-India Muslim Unity Board Conference in December last, that the only alternative to the Communal Award is an agreed settlement between the communities themselves, this Board deprecates all agitation to get the Communal Award modified by the British Government. Further, this Board expresses its readiness to help any movement for bringing about complete harmony and understanding between different communities as efforts of our representatives in the last Unity Conference amply testify.

(3) This meeting appeals to the Mussalman voters not to pledge their support to any candidate or candidates for Assembly till such time as this Board is in a position to recommend to them names of suitable candidates.

The Board authorises the Working Committee to prepare a list of suitable candidates from the various Provinces for Legislative Assembly after consulting the various organisations before 1st. July so that the Muslim electorate may return only such candidates as will serve the best interests of the community and the country.

By the fourth resolution, the Board passed its constitution and elected a Working Committee of two members, with Nawab Mahomed Ismail Khan as President, Mr. Shaukat Ali, Chaudhury Khaliquzaman, Mr. Shah Maswood Ahmad and Syed Zakir Ali as Secretaries.

About 20 members participated in to-day's proceedings, prominent among whom were Nawab Mr. Mahomed Ismail Khan, who presided, Maulana Shaukat Ali, the Raja of Salempur, Chaudhury Khaliquzaman, Syed Zakir Ali and Syed Hasan Rahas.

Messages of sympathy were received from Dr. Ansari, Mufti Kifayatullah and others.

Nawab Ismail Khan, in the course of a conversation, explaining the resolutions, said that the Unity Board had no intention of running elections in its name but would recommend to Moslem voters the names of suitable candidates.

Asked if it was the intention of the Board to support and recommend all Swaraj Party Muslim candidates, he pointed out that it was still too early to decide this in so far as the Swaraj Party had not yet taken a shape and many vital questions relating to it were yet to be decided but the hoped they would be working in co-ordination if and when the Swaraj Party was formed.

The Communal Award

Attitude of Nationalist Muslims

The following is quoted from the "Tribune" of Lahore, dated June 1934 :—

Any one who carefully scrutinises the proceedings of the Congress Parliamentary Board and the Working Committee, so far as they have been reported in the press, is bound to come to the conclusion that the very unsatisfactory resolution which has been recorded by the latter with the full concurrence of the former is chiefly

due to the attitude of the Muslim members of those bodies. The unqualified welcome which Mr. T. A. K. Sherwani has given to the resolution leave no room for doubt on this point. The Congress, said this U. P. leader in a statement made by him immediately after the resolution was passed, 'has once again proved that it is a truly national organization and feels equally its responsibility towards the different communities. If any one had any doubt on this point, it must be finally removed now.' No reasonable person ever doubted or could ever doubt that 'the Congress is a truly national organization'; and we should have thought that after its brilliant record extending over very nearly half a century this obvious fact needed no further proof. But what is the occasion for this somewhat exuberant declaration? Nothing but the passing of a resolution by the Working Committee of the Congress, the essence of which is that in view of the difference of opinion existing among the communities concerned regarding the Communal Award, the Congress, which represents the nation as a whole, should neither accept nor reject the Award. As this resolution, the most noticeable thing about which is that it does not contain even a word of definite condemnation of the pernicious system of separate electorates, which constitutes the very basis of the Award, has so mightily pleased the nationalist Muslims in the Congress, may we, in all humility, inquire since when our friends have adopted this particular attitude towards the Communal Award generally and separate electorates in particular?

As public memory is proverbially short we need make no apology for recalling a few notable events and utterances. On April 18, 1931, there was held at Lucknow what is known in our political history as the first All-India Muslim Nationalist Conference. It was presided over by Sir Ali Imam, a former President of the All-India Muslim League. In his speech on the occasion Sir Ali Imam declared that 'separate electorates connote the negation of nationalism,' that 'if you erect an iron wall between community and community in their politics, you destroy the social fabric' and that 'nationalism cannot evolve from communal division and dissension.' At the same meeting, no less a person than Dr. Ansari, undoubtedly the greatest Muslim leader now in the Congress and the President of the Congress Parliamentary Board, moved the famous resolution which for months was repeated from many Muslim nationalist platforms. By this resolution the Conference expressed its strong conviction that 'the method of representation in the Federal and Provincial Legislatures should be joint electorates and adult franchise.' In his speech in moving the resolution Dr. Ansari, after referring to the absolute necessity of joint electorates for the growth of a united nationhood, told his community that 'insistence on separate electorates would prove suicidal to the continuance of the Mussalmans in this country as a political and cultural force of any significance.' Two months later Dr. Ansari himself presided at the All-Bengal Muslim Nationalist Conference at Faridpur, and in his speech on the occasion, after referring to the resolution passed at Lucknow said that 'the Nationalist Muslim Party, after the bitter experience of separate electorates for the past twenty years and with due regard to the constitutional advance of the country as a whole, has come to the conclusion that it is in the interests of the Muslims of India that joint electorates with adult franchise should be the basis of representation in the future constitution.' The Conference itself passed a resolution to the same effect, with the significant addition that if adult suffrage was not to be had immediately, then the suffrage should be based on the payment of any amount of revenue, rent, cess or tax. A month later, at the U. P. Nationalist Conference Dr. Ansari stressed the point that 'communalism and the communal mentality could never be uprooted without joint electorates.'

This was the attitude of the nationalist Muslims towards separate electorates, which admittedly constitute the basis of the Communal Award, so lately as in July 1931. A year later, on the very eve of the announcement of the Communal Award, we find Dr. Ansari making the following emphatic declaration on behalf of his party: 'No communal settlement will bring harmony and peace which is not based on a very wide franchise, and which does not remove the root cause of communal antagonism—communal electorates.—The basic foundation of the constitution should be joint electorates, universal adult franchise, and for the present reservation of seats for small minorities on the basis of their population.' Again: 'It is curious that communal electorates which are most injurious to the minorities should be claimed to give them protection. As a Congressman, as a Nationalist, and as a Musselman I am convinced that joint electorates are the only kind of electorate that provide safety alike to Hindus, Muslims, Sikhs and other communities in the Provincial or

Central Legislatures, wherever they happen to be in a minority.' About the same time Mr. Asaf Ali, another prominent Muslim leader of nationalist views, declared in a statement in reply to a manifesto issued by certain members of the All-India Muslim Conference :—'The simplest formula they should stick to is joint electorates, no reservation, no weightage, no special constituencies and adult suffrage or the lowest qualification for franchise to enable the bulk of the population to get representation, and if any formula for minorities is insisted upon by minorities in different provinces it should be uniform for all minorities.' These were the views of the nationalist Muslims rising up to the eve of the announcement of the Award. Nor did the actual announcement of the Award make an immediate difference in their position. The Communal Award was published in India on August 16, 1932. Six days later we find so important a body as the executive committee of the Bengal Nationalist Muslim Party condemning the Award on the following grounds, among others :—It recognizes the principle of separate electorates, which is fundamentally opposed to responsible government? On September 1, Maulana Abul Kalam Azad condemned the Award as 'the most dangerous thing that could happen to Indian nationalism,' and declared that 'it had set one community against the other, without giving any tangible benefit to any community, save the Europeans.' Dr. Ansari himself was away from India at the time, but in an exclusive joint statement given to a press correspondent in Germany he said and Mr. Sherwani said that the main features of the Communal Award were the perpetuation and stimulating of the causes dividing India and the accentuation and extension of communal divisions, and the creation of fresh communal groups and special interests, which would shatter all future prospects of communal co-operation.' The real foundation of the proper construction of future India,' the two leaders added, 'can only be the introduction of joint electorates with adult suffrage and the adoption of democratic principles.'

After all these explicit and emphatic declarations made by leading Muslim Nationalists, both against separate electorates and against the Communal Award as a whole, is it not too late in the day for them to demand, and for the Working Committee and the Congress Parliamentary Board themselves to concede the demand that the Communal Award should be neither accepted nor rejected at this stage, and that even the principle of separate electorates, on which it is based, should not be definitely and explicitly rejected? Have not these Nationalist Muslim leaders already rejected both the Award generally and pernicious principle of separate electorates in particular? Unless, therefore, they wish to go back upon the clear and unambiguous declarations repeatedly made by them during the last three years, it is impossible to understand either their insistence that the Congress should not reject the Award or their jubilation at the fact that the Congress has not as a matter of fact rejected it, though it has certainly condemned it.

The Youth Conferences

The Madras Youth Congress

The Madras Youth Congress commenced its session on the 24th. March 1934, at the Ranade Hall, Mylapore, Madras, with Mr. S. Satyamurthi in the chair.

Mr. A. R. V. Achar, in declaring the Conference open, traced the youth movement in the city of Madras, and said that the youth of Madras had always taken their rightful part in the activities of the city. They had joined the Scout movement when it was started in 1919 by Dr. G. S. Arundale. They also joined the International League of Youth started in 1924 and the First Youth Conference was held in 1925. After the Youth Conference of 1927, the youths engaged themselves in different activities and tried to mould the affairs of several institutions in such ways as would be beneficial to the largest number of the youths of the city. They were also engaged in the Swadeshi movement. The speaker exhorted the youths to forge ahead of the elders and organise themselves so that they might be in a position to aim at the highest and the noblest. Mr. Achar then declared the Conference open.

Presidential Address

The Chairman of the Reception Committee then extended a welcome to the youth of the city after which Mr. S. Satyamurthi delivered his presidential address. The following is the text of Mr. Satyamurthi's address :—

I very highly appreciate the honour which the Reception Committee of your Congress has done me by inviting me to preside over the Madras Youth Congress. I readily accepted the invitation, deeply conscious as I am, that, by no stretch of imagination, can I claim to call myself or to be called a youth; but, after all, a man is as old as he feels, and a woman is as old as she looks. I claim to feel as youthful among you. I have no doubt, that, as a result of my presiding over this Congress, I shall feel younger.

I congratulate you on summoning this Congress. Youth is a beautiful time, but it is also a time of great opportunities, such as do not recur. Whether you utilise or waste those opportunities depends upon you. No single youth can tackle and solve successfully the great and many problems which face Indian Youth to-day, when a new Nation is practically being recreated. It is right, therefore, that you should meet and discuss problems, concerning yourselves and the country.

The most important and urgent problem before you is to retain and develop your youthful spirits and outlook on life. Alas! In this country we now grow prematurely old. Pessimism has a peculiar fascination for certain minds. It suits intellectual and moral laziness. Things are fairly depressing all round. But depression was never met by an attitude of defeatism. I would earnestly appeal to all of you to cultivate a robust and optimistic view of life. It is right, it is also helpful. If only young men and young women in our country will make up their minds to conspire with fate and to grasp this sorry scheme of things entire, then they may well feel called upon to shatter it to pieces, so that they may rebuild it nearer their heart's desire. I am not an iconoclast, nor do I want you to become iconoclasts, but when I see round me prematurely old young people adding to the national wail, I feel tempted to ask you to get out of yourselves. In a word, I should like you to be self-reliant, hopeful, and cheerful.

I shall be told that unemployment is rife among educated youths, and that they cannot afford to be happy. After all, happiness is a state of mind. In my experience, I have seen more happiness among the poor than among the rich. A happy man will more successfully deal with the problems of life, than an unhappy man. On this very problem of unemployment, I should like you to ask yourselves, whether the bulk of you who have to deal with that problem have yet done anything by way of constructive thinking or acting. I do not want to suggest heroic

solutions or quack remedies. But I do not feel that, to the adventurous and bold young man or woman, there are fields of employment, which have not been touched by them. I shall give but one illustration. The Talkie has come to stay with us. The rage for Talkies, especially in Indian languages like Hindi or Tamil, seems to be unlimited though yet in its infancy. Young, amateur talent from Madras has already distinguished itself, in the production of the Tamil Talkie of Sita Kalyanam which has already been running some weeks, and which will run some months more, wherever Tamil is spoken. A good Talkie like that gives honourable and lucrative employment to fifty educated young men and women. I invite you to explore the possibilities of this profession.

Or, again, take the South Indian stage or South Indian music. Third-rate artists producing third-rate plays with primitive dress and primitive scenery still hold the field. You can count the first class musicians on the fingers of your hand. There is plenty of talent among you. You must develop the genius to discover talent among ourselves, to organise it with a view to open out new careers for yourselves, and to add the innocent and elevating amusement and happiness of the Nation.

At the other end, lie the vast problems of village reconstruction, economic improvement, and organisation of the trade, commerce, and banking of the country. I grant that in these spheres, you cannot do much without the State taking the initiative and helping you. But even here, it is open to the more enterprising and adventurous among you, to settle down in a village with a small capital and gradually win your way into the hearts of the villagers and make yourselves so useful to them, that they will gladly maintain you above want. This is not the place for me to elaborate the details of the plan. But, if your Congress takes up this suggestion seriously and appoints a Committee to work out a detailed plan, I shall be glad to co-operate with you.

I should like you, while you are young, to devote particular attention to the physical culture of your bodies. There can be real beauty without strength. I should like to make a particular appeal to young women who are flocking to our colleges, to take special care of their bodies and their appearance. They dare not ignore them. I cannot lay too much emphasis on the need for all our young people to take regular physical exercise, and to play games and sports. During the recent Cricket Test Matches in Madras, I went cricket-mad like thousands of my fellow citizens in Madras. But I can never forget the fact that Madras was not represented on the Test Team here, except vicariously. Madras has to find her place in the cricket map of the world. I appeal to young men to achieve that place for Madras.

I sincerely hope that the Corporation of Madras, with the help of the Government, will soon put up a cricket pitch and grounds and stadium in Madras where the young men of Madras may learn to play cricket in the best style, and when the next Test match is played in Madras, I look forward to Madras giving a better account of itself, in every way.

Madras has often distinguished itself in tennis. I sincerely hope that you will help to maintain that reputation. India has won world wide fame, in the manly games also. It is the special province of youth to look to those activities. The international status of India must be raised by you in this as in other fields.

I should also like you to cultivate the spirit of healthy intellectual curiosity. You are all educated: but how many of you know the things which an educated person ought to know? How many things do you know even in this City? How many of you have the spirit of adventure? Thanks to Man's challenge to nature, the North Pole and South Pole have been explored. The whole earth is now known to man. Air is being conquered. The depth of the sea have been plumbed. The Alps have been subdued, and the Himalayas are being attacked. Day after day, we read accounts of great adventures of heroism. How many Indian young men, how many Madrassis particularly, have taken their share in this conquest of nature? I invite you to do your bit. I want that you should organise expeditions of walking, cycling, mountaineering. You should see new countries and new people. You will acquire confidence in yourselves that will add to your happiness and make you better men and women. You should also cultivate definite hobbies. Nature is so plentiful in our country that, with a little endeavour and with a little land, all of us may become fine gardeners. Gardening is a great hobby. To assist in any manner in the creation of the beauty in flowers and leaves and fruits is great happiness. It will also add to the stock of your knowledge. Incidentally, it will make you do physical work in your own gardens. No enthusiastic gardner can help this. It is good for your bodies.

I would also suggest that, as many of you as can, should cultivate the hobby of music, vocal or instrumental. All of us are not gifted with that talent. But I am told that a good number of us can learn music, vocal or instrumental, with endeavour and application. Music hath charms to sooth the savage beast. Life can be made more tolerable even for the most unhappy among us with a little music thrown in. Music, as a social factor, has limitless possibilities. The rich store of our folk-songs and folk-dances lies almost unexplored. Our education, to-day, especially of the young ones, is often drab and lifeless, because music is not assigned its proper place. Life in our country is not so sweet as it may be or as it was, because music has not yet come by its own. I recognise that there is a passion, often unhealthy, to listen to music from others, of almost any kind. But the true enjoyment of music which belongs to a cultured mind is yet to be among us. We should musically educate ourselves to appreciate good music; more, we should learn the art of communal singing. In the west, it is very usual to see hundreds, and sometimes-thousands of people, men, women and children, singing popular songs together, with a striking unity of purpose and of voice. We need to cultivate that communal singing in our country.

You can think, for yourselves, of other hobbies. I need not mention them to you. But, before leaving this subject, I should like to command to all of you one need which you must always fulfil viz., to be, and to appear clean in your bodies, in your clothes, and in your habits. We, in India, have been rightly famed through the ages for our personal cleanliness. It is a rich heritage, I want to conserve it, develop it, and hand it down untarnished, to those who come after you. But this is only a part of the picture. The other and the more important part is how to keep our country clean. Thanks to the sun and to plentiful water, most of the year, our villages have not all of them been spoiled. But our towns, including the city of Madras, have to wage a perpetual warfare everyday, between the habits of our people and the municipal services. Our streets and our lanes are a standing disgrace to us. I speak frankly, because I feel strongly. We who claim to be educated must set a better example. The habits of throwing rubbish into the streets at all hours, and of fouling them in a manner which I dare not describe here, are as much standing in the way of our development, as anything else. There can be no higher mission or greater work before you, than to develop the sanitary and the civic conscience of our people. It is hard, often thankless, work. But the reward is great—beautiful cities and towns where men, women, and children can live moral, healthy lives.

In order to do all this, however, you must become well-equipped not only in body, as I have told you already, but in mind. A vacant, un receptive mind has yet done nothing for itself or for others. I want you all to study wide and deep, to acquire knowledge, habits of careful thought and above all, a capacity for intellectual honesty and courage. There is too much of the praise of youth, as mere youth. But all being are young. The greatness of men is that he can develop himself, to an almost infinite extent. Youth is the most appropriate time for that expansion. I would appeal to you to make the best of your opportunities. You must cultivate be-times the habit of study. Books are the best companions. They give you all the information you want. To-day, even among the educated classes, there is very little of actual study of serious books going on. Most of them read only newspapers in a scrappy manner. The rich realms of literature in Sanskrit, Tamil, Telugu and English are before you. I want you to roam in those realms; thereby you will make your lives richer and fuller, and you will become better, more useful, and more efficient citizens.

Incidentally, I should like you to learn Hindi or Hindustani, which is bound to be the *lingua franca* of India. We shall require to learn English for many years to come, till Hindi takes its place, and even after that as a useful modern language. But Indian Nationality can never become real or full, until we have a common Indian Language. Hindustani is pre-eminently fitted to take that place. If you take to Hindustani early enough, you will learn it.

While you are young, many problems will face you which you must try and solve to the best of your ability, especially in the social and the religious spheres. Religion is neither taught nor learnt. In the words of Swami Vivekananda, it is a matter of being and becoming. I have no desire to inflict a religious sermon on you. It is easy to be agnostic, perhaps easier to be atheist. I would only beg of you to study your religious books carefully and prayerfully, to think of these problems earnestly, and to come to tentative conclusions which you should conti-

nually verify by your own experiences. I have often felt that it will be a very human and a very enlightening document, if we can get individuals to put down in writing their religious beliefs and experiences. I can only command to you the method of continual introspection, and of faith where you cannot prove. Life and death are too mysterious to be explained on mere material hypothesis. True religion is wholly consistent with true service to humanity. Each one of you must find the synthesis.

In the social sphere, you will find many problems which you would like to solve by radical methods. I can give no categorical answer to these problems. The problems of marriage, of property, and one social adjustment are many and complex, and each nation has evolved its own solution through the ages. No nation can claim the monopoly of having solved them wisely and soundly. We must readjust our society, but let us never forget that imitation is death, and that material prosperity is not the sole test for a society's success. Bearing these facts in mind, I should like you to discuss these problems among yourselves with sincerity and earnestness.

The phrase "social service" is to-day very much in the air. It connotes an excellent idea. It is good that young men and young women should feel for those, less fortunate than they, and should desire to do something to make the world a better place than they find it. But you must develop the necessary equipment for this service, lest you do more harm than good. The poor in all countries, and especially in ours, are very sensitive. If you desire to serve them, you must become one of them. I can give you no better example of this quiet and useful social work, than that done by my friends Mr. P. N. Sankaranarayana Aiyar and Srimathi G. Visalakshi in Gokulum and in Ayodhya Kuppan. Moreover, social service may well begin at home. There is an idea abroad, among our young women, that, because they go to school or college, it is beneath their dignity to assist their mothers or their sisters in their domestic work. That is a false and mischievous idea. If you desire to learn to do real social service, please begin at home, and help those who are nearest and dearest to you, in sharing the drudgery of home work, and then you will learn the sweetness of real social service.

I have not so far touched on one of the most difficult contemporary problems facing the youth in India to-day, viz., the attitude of youth towards his country. I unhesitatingly ask you all to be patriotic, and to love your country passionately. I realise the limits of political and economic nationalism. I realise the horrors of war, but I also realise that unless India becomes free and self-governing, she cannot make her legitimate contribution to peace on earth and goodwill to all men. It is, therefore, right that all of you should concentrate your efforts on helping India to attain her freedom. To those of you, however, who are students, I have one word to say. To those who are undergraduates, I respectfully suggest that the best service they can do for their country is to concentrate upon their study and upon their play, so that they may develop sound minds in sound bodies. They should of course keep their ears and eyes open, discuss among themselves contemporary political questions, and exercise their patriotism in legitimate ways, like the cultivation of swadeshi. But it is good for them and for active politics, that they should keep away from it, until they finish their study. The problem is different with those of you who are graduates. You must make up your mind whether you are going to pursue your study, or take to politics. Make your choice but stick to it. Do not try to do both. All this, however, is subject to the ruling exception viz., that, in days of great political excitement, students will be students all over the world.

The Madras University is trying to build up a Union. I strongly commend the activities of the Union to the attention of students in Madras, especially its activity as a Parliament, where young men and young women may cultivate and develop their powers of expression, of organisation, and of clear and bold thinking on contemporary problems. The Oxford Union is rightly famous for its work in these directions. In all democracies and in Indian democracy, the power of fluent, accurate, and effective expression is to be very great. Democracy means Government by discussion. Discussion involves the power of expression. Only those who cannot speak affect to despise that art. If you desire to play leading parts in the public life of your country, I want you to cultivate this habit of expression.

But more important than this, is the capacity for clear and bold thinking on contemporary problems. Thanks to the Indian National Congress, to Mahatma Gandhi, and many others, people to-day in India have learnt and are learning the

art of thinking and speaking boldly, though it may offend the powers that be. But the more difficult and the more necessary art of thinking and speaking boldly, in spite of what is believed to be "popular opinion," has yet to be cultivated. No man can be a leader in a democracy, unless he faithfully echoes public opinion. But he is a poor leader who never makes up his mind, and is content to be a mirror of others' opinions. Even popularity is not an end in itself. It is only a means to an end. I would, therefore, beg of you, to train yourselves to give a correct lead to your countrymen, even if it happens to involve loss of popularity for the time being. The phenomenal success of Mahatma Gandhi is due to this great trait in him and we should be poor followers of the Mahatma, if we do not follow him in this.

I have no desire to deal with contemporary Indian politics in this address of mine. I only desire to say that those of us who claim to be self-respecting Indians can have no lesser ambition for our country, than that she should be free and self-governing, even as other countries are. Let us also realise that freedom demands its price. When I was in England in 1919, I visited many homes and in almost every home, at least one man had died in the war, or been maimed, or disabled for life. That was the price. England paid for her freedom once more, and, unless every Indian home is trained to give its price for India's freedom, it must remain a phrase. The fault is not in our stars but in us, that we are thus and thus. The Commander-in-Chief said the other day in the Council of State: "I venture to suggest in all humility, that if Indian politicians will pay less attention to providing seats for Moslems, Sikhs, Hindus, and untouchables and pay more attention to making India a Nation, it will immediately reduce the cost of Indian defence. If I remove one battalion of internal troops, immediately, there is a protest from the Provincial Government. We have to see that people do not get at each other's throats." This is very humiliating but I am afraid very true. In this connection I should like to commend to the youth of Madras the careers, limited as they are, which are open to them in the military sphere. The Indian Territorial Force has not been a conspicuous success in Madras. I realise grave limitations therein. In spite of them, if we are to make good our claims to Swaraj we must take our share in the defence of our country. The University Training Corps also deserves your warm support. More students should take to it and seriously, so that the problem of finding Indian officers for the Army may become easier of solution.

But, more than all this, there is one contribution which youth alone can make to the building of the Indian Nation. Older men have become too infected with that poison, to give any hopes for us. Youth alone can save the nation from this poison. There can be no Indian Nation if we continue to think of ourselves as Hindus, Mussalmans, Non-Brahmins, Brahmins, High class or Low class. These social distinctions may have their place in domestic life. But unless caste and birth are eliminated as factors in public life, there is no hope for this nation. Let us also remember that the whole includes the part, and that, until and unless the Indian Nation become free, self-governing, and happy, no part thereof can really progress. All communal awards and settlements are miserable attempts to keep the Nation from its heritage, and to make us quarrel over trifles, forgetting the main goal. Youth must take it as its gospel to annihilate communalism from public life. You can annihilate it, however, only if you annihilate it in your own hearts. I want you all to think of yourselves as young men and women of India, and not as belonging to this caste or that caste, to this community or that community. Habit will make this easy, and your example may yet save the nation.

I will now conclude with an exhortation to you. In the crucial years of the War between 1914 and 1918, the young men and the young women of Great Britain threw themselves heart and soul into the War, and several of them made the supreme sacrifice, with those inspiring words on their lips, "Who lives if England dies? Who dies if England lives?" I can give you no more inspiring words. In all that you do now and hereafter, keep these words on your lips, and in your hearts, and you will never go wrong. "Who lives if India dies? Who dies if India lives?

Proceedings and Resolutions

1. MIDDLECLASS UNEMPLOYMENT

After the Presidential address Mr. Mr. S. S. Rajagopalan moved the following resolution which was carried :—

"This Congress views with grave concern the growing menace of middle class unemployment in India and urges the Government, Universities, Zamindars and public organisations in the country to promote immediately schemes of unemployment relief through the establishment of Unemployment Bureau." He said that the present University education had not benefited the people and must be revised. He pleaded that the University must come forward and organise a kind of employment bureau for the students. He was against sending the unemployed youths to the villages. He also suggested the starting of unemployment insurance relief measures. Finally, he wanted that the unemployed should organise their grievances.

2. COUNCIL ENTRY

Mr. N. S. Srinivasa Aiyar moved the following resolution: "This Congress while requesting the Indian National Congress to withdraw the Civil Disobedience movement, fully realises the importance of Congressmen entering the Councils and extends its co-operation and support to the newly constituted Swarajya Party." The mover said that though the White Paper scheme was not accepted by the country, it was ultimately going to be the future constitution. There was no use boycotting the Councils, because if the Swarajya Party did not enter the Councils some other party would come into power and work the constitution. They had seen how the boycott of Councils about fourteen years ago had failed. Therefore, they must send capable men to the council and carry on their fight inside the councils. The mover then referred to the civil disobedience movement which he said, had now come to an end and, they should, he said, request the Congress to withdraw the movement.

3. THE RELEASE OF POLITICALS

A resolution was passed outlawing war and supporting the ideals of the League of Nations. Another resolution urged the Government to release immediately all political prisoners in view of the impending changes in the Indian constitution, thus creating a favourable atmosphere for working out the constitution. Yet another resolution was passed rejecting the White Paper proposals and supporting the national demand. Resolutions were also passed deprecating the practice of untouchability; favouring total Prohibition; exhorting the youths to patronise and encourage khadi and swadeshi and to devote attention to physical culture and to develop histrionic talents and adopt Hindi as the lingua franca. The Congress stressed the immediate necessity of nationalising the scout movement. The Congress requested the legislators to statutorily enact that the heritable rights of women be coeval with those of their brothers and to put an end to the system of dowry.

The All Utkal Youth Conference

The second session of the All Utkal Youth Conference met on the 21st April 1934 in the Natyamandir Hall, Berhampore under the chairmanship of Mr. S. Satyamurti of Madras. Delegates numbering two hundred from all over the province and visitors numbering nearly four hundred attended the conference.

After prayer *Pandit Neelkant Das*, in declaring the conference open, exhorted the youth of the country to have Swaraj as their political ideal and self-realisation as their religious ideal. He wanted them not to be carried away by provincial jealousies but to have the high ideal of the attainment of the freedom of their country have precedence even over the problem of a separate province for Orissa. He then declared the conference open.

The Welcome Speech

Mr. R. C. Misra in welcoming the delegates said :—

Our villages require solid and tangible service of the youth. There is immense scope for practical work in the villages. They badly stand in need of sanitary, educational, economic and cultural improvements. The first essential is to prepare the foundation by creating a Panchayat in every village as the basis of a pyramid of organisation, but not on the lines of the Local Boards Act. The delegates must

be responsible members of the village. Be it advisory or supervisory, some sort of control over the Panchayat is necessary by a rural development Board with a council of experts. The Panchayat must be invested with certain power. Otherwise its decision will be a sheer nullity.

I cannot help referring to certain other questions at home. The first is her unsatisfactory boundaries. This is more important in as much as with the formation of the new Province we shall be put under five administrations instead of under four as we now live in. If regular organisation to carry on Oriya culture is not continued as adumbrated by the late lamented Utkalamoni Pandit Gopabandhu Das, those that will live outside the limits of the new province will lose their race, language and tradition and merge themselves with other stronger races. I request you all to picture before your eyes the lot of Oryas in Midnapore. The Oryas there have lost their language, race consciousness and are fast altering their Oriya house names also. Similar will be the lot of the Oryas of Parlakimedi, Mandasa, Tarla, Takkali and Jeypur, a generation after the Orissa Province is formed, if those genuine Oriya tracts are left outside the jurisdiction of the Orissa Province. I request you all to concert measures to carry on the Oriya movement so that the Oryas there may not lose their race consciousness like the Oryas of Midnapore.

After the publication of the White Paper regarding the boundaries of the new Orissa Province, the dissatisfaction of the Oryas has reached its climax. Sir Samuel Hoare, that great statesman, has committed a colossal blunder in announcing the boundaries of Orissa, leaving outside so much of genuine Oriya tracts. The national dissatisfaction on this announcement is so great that there is none to rejoice over the formation of a province. It is the national dissatisfaction that has so strongly shaped itself in the 8th resolution in the open session of the recent Utkal Union Conference held at Cuttack. The youth of this country interpret that resolution only to be their strong resentment at the unsatisfactory boundaries and nothing more. Any alteration in its wording is not agreeable or acceptable to them.

Referring to the question of a separate High Court for the new province he said that while everywhere the people demand courts of higher status our leaders would be satisfied with a chief court or a court of judicial commissioner which is fast becoming a remnant or a relic of the past. Any of these two would be a poor substitute and an apology for a High Court. Yet some of our leaders want it and say that the demand for the High Court would be a cry for the moon. If in view of our finance a High Court cannot be granted to us, we would wait till our financial position is sound. But we cannot safely rely on a chief Court of the judicial commissioner. Our province would be so small, and zamindars will be so predominant that we fear to have a court of the type advocated by Mr. Lingaraj Panigrahi. Mr. Newsam's scheme is most unsatisfactory and undesirable. The idea of a High Court Judge sitting permanently in the mofussil and discharging the judicial functions of a District Officer is repugnant to our notions of a High Court Judge. The Judge stationed in the mofussil is bound to get soon a tinge of local politics and his judicial work is likely to be coloured. The dignity, independence and impartiality expected of a Judicial Officer will be completely lost. There is another school of thought according to which a High Court for Orissa is a luxury. Though such a view is rather extreme it cannot be said that it does not carry weight. Though it is admitted that a separate High Court is the necessary concomitant of an autonomous province, in my opinion it will be much better for us to have none at all than to have such a one as recommended by the Orissa administrative Committee.

The question of a separate University for Orissa has however received greater response. To start with, the problem seems inseparable. But with the example of munificences of our Jeypur Maharaja to the Andhra University and of Sonepur Maharaja to Calcutta University, of Mayurbhanja Maharaja to Ravenshaw College and of Rajas of Parlakimedi and Khalikote who have shown such spirit of liberality in matter of educating our people, need we have any fear that we may not collect about 20 lakhs during the course of few years? This amount will give us a good start and firm support for the establishment of an Orissa University.

Demonstration of Anti-Boycotters

The following is reported by the correspondent of the "Hindu" of Madras :—

"Since Mr. Satyamurti delivered his presidential address on the evening of the

21 instant wherein he made a reference to the New Utkal Province and its boundaries, the atmosphere in this town so far as the Oriya community is concerned has been disturbed. Sometime back the All Utkal Union Conference which met at Cuttack passed a resolution boycotting the new Orissa Province if what they called the "minimum demand" was not acceded to by the Government. Over this resolution there has been a large amount of controversy and another Conference of representative men from all over Orissa met at Berhampore and reiterated the Cuttack resolution. There is a section of Oriyas including the Raja of Khallikote who are opposed to this resolution and have issued a manifesto to that effect. Their opinion seems to be that a province should be accepted in the form in which it is given. This section seems to have apprehended that the boycott resolution would again be passed in the Youth Conference because Mr. Satyamurti in the course of his presidential address wanted them to stick to that resolution. The result of this apprehension was witnessed in the innumerable posters that were seen yesterday morning in almost all parts of the town including the Conference pandal. In the afternoon before the Conference actually met, a huge procession consisting of some hundreds of people including a number of Oriyas from other parts of the district headed by Mr. S. B. Rath, Editer, 'New Orissa' and Mr. Lingaraj Panigrahi started from the 'Asha' office bearing placards inscribed with the slogans "Down with boycotters," "Separate Province our maximum demand" reached the camp of the President and made a big demonstration in his presence. The leaders approached the President and told him that this demonstration was intended to prove the strength of popular opinion against the Cuttack resolution boycotting the Province. Mr. Satyamurti explained to them that there was no reference in the proposed resolution to boycott of the Province. The leaders, satisfied with this assurance, withdrew.

"The open session of the Youth Conference met again yesterday evening at 4 p.m. under the chairmanship of Mr. Satyamurti in a tense atmosphere. Owing to wild rumours earlier in the day about the arrival of about two hundred people from the interior parts of Ganjam with a view, it is alleged, to pack the Conference and prevent the passing of the 'Boycott resolution' and apprehending as a result thereof possible disturbance and breach of peace, the organisers of the Conference requisitioned Police help. The demonstrators were not admitted into the premises of the pandal and police constables stationed at the gates regulated admission by tickets. The leaders of the demonstration who did not attend the Conference on the first day and who were invited by the organisers attended the Conference. Among those who were present were Mr. S. B. Rath, Pandit Neelakantadas, Mr. Lingaraj Panigrahi, Mr. Lakshminarayana Sahu, Mr. Biswanath Das, Mr. Niranjan Patnaik, and others."

Proceedings and Resolutions

A resolution moved from the chair expressing the deep sorrow of the Conference at the demise of Mr. M. S. Das of Cuttack and recording its gratitude for his services to Orissa for over a period of sixty years was passed.

The most important resolution referring to the boundaries of the New Orissa Province was next moved by the President himself. It read: "In view of the fact that as a result of the boundaries of the proposed Orissa Province set forth in the White Paper Oriyas will still be split in many different Provinces, this Conference of the youths of Utkal strongly feels that the said boundaries are most unfair and unsatisfactory and not only will be a menace to the aspirations of the Oriyas but is apprehended to detract substantially even from the workability of the Province and therefore demands the inclusion of the following territories:—(1) Jeypur, (2) Eastern and northern part of Parlakimedi including town, i.e. the second and fourth divisions and posts of the first division of the Estate as distinguished in the Census report, (3) Parlakimedi Malihia (4) Western part of Mandasa including town, (5) Western part of Jalantra estate, (6) The entire Zamindari of Budarsingi, (7) Singh bhum and (8) Phuljhar."

The President in moving the above resolution explained his own position. He said that he had made it plain in his Presidential address that it was for the Oriyas to decide whether or not to have a Province with all the limitations, financial and territorial. He was not at all opposed to the formation of the Orissa Province but he was only doubtful whether it would serve the purpose for which it was intended with all the proposed limitations.

The resolution was unanimously passed. Messrs. S. B. Rath and Lingaraj Panigrahi then left the hall.

Pandit Nilakantadas moved a resolution urging on the Government of India to make reparation for the past neglect of Oriya community by granting a central subvention for the establishment of a separate University for Orissa and appealing to the Princes, zamindars and other members of the well-to-do community to support the University with liberal endowments which was unanimously passed.

A number of other resolutions referring to welcome Mahatmaji when he next visits Utkal, removal of untouchability, the adoption of swadeshi were then passed.

A standing committee for the ensuing year was then constituted. The next session of the conference will be held at Cuttack.

Mr. S. Satyamurti concluding the proceedings of the conference felt glad that the conference was a complete success. He was anxious to see that the conference was the beginning of a new era of happiness and prosperity to the new Utkal province. He advised the young men of Orissa not to be cut up by jealousies and quarrels among themselves. In their new province they should try not to give the zamindars any prominence whatsoever but they should fight them and prove the strength of democracy. No amount of wealth nor pomp nor arrogance could have any place in Orissa where the poor people were being trodden down by famine and floods. They must be made to stand erect on their feet. That should be the ideal of every Utkal youth. He exhorted them not to be content with a truncated province which would include all Oriya speaking tracts and try to make the province financially stable. There was no meaning in the threat of boycotting the province. It was as absurd as to think of boycotting the British Government or the sun or the moon. Their enthusiasm should not be directed towards securing a slave Utkal province in a slave India. They must get a free Utkal as a part of free India. The freedom of India was an essential thing even for the prosperity of the future Utkal Province.

He was glad, he said, that the conference passed a resolution advocating the use of swadeshi articles and khaddar. Every article of necessity was being manufactured in India including soaps, oils, scents, stationery etc., and he exhorted them to buy only swadeshi articles, unless there was a necessity for going in for foreign articles. He was extremely pleased that the Conference resolved that a right royal welcome should be accorded to Mahatma Gandhi when he visits Utkal next month.

He finally thanked the organisers of the Conference for having showered on him their affection and for honouring him by inviting him to preside over their conference.

The Madras Provincial Youth Conference

The Madras Provincial Youth Conference commenced its sessions on the 28th April 1934 at the Congress House, Madras under the presidency of Mr. N. S. Varadachari, former Secretary of the All India Spinners' Association (Tamil Nad). A large number of youths were present at the gathering. After the hoisting of the flag and the formal opening of the Conference, Mr. S. V. L. Narasimham, Chairman of the Reception Committee, welcomed the delegates and visitors to the Conference.

After strongly condemning the White Paper, the Chairman said: Labour legislation has been very scanty. It is common knowledge that the Labourer is the sustenance given to the world. But few take the trouble to improve his miserable lot. Half meal and tattered rags are all that he gets for his creature comforts. His dilapidated dwelling affords him little protection from the elements. Toddy he clings to as he would to his dearest children. It is incumbent on us, youths, to identify ourselves completely with the labourers—both agricultural and industrial—and strive our utmost for their betterment. The Indian National Congress should take increased interest in the cause of labour.

English educated young men often complain of unemployment. There is employment all round. They have only to open their eyes and see things in their proper

perspective. Who lives if the neighbour dies, who dies if the neighbour lives? Their neighbour, the peasant, is dying of political, economic and social ills. Let unemployed educated young men busy themselves in curing him of his ills. The curing process will give them enough employment and if the peasant recovers and lives, these young men will automatically live.

It is fortunate indeed that we have been able to secure the guidance of Mr. N. S. Varadachariar, one of the finest of national workers that South India has. With his able guidance, I hope we will be able to chalk out a programme of work satisfying the requirements of the present situation in the country and play our humble part in the destiny of our common motherland.

The President then delivered his address.

Presidential Address

"I am thankful to you for having chosen me to preside over your deliberations. Most of you have worked in the national struggle and suffered heavily. It gives me pleasure to be sharing your thoughts this day. You desired a first-rate politician to assist you, but instead you get one of your own humble adherents to think and act with you. An alertness in taking advantage of situations, a buoyancy of spirit, a certain resilience of mind, an endurant persistence in action and an attitude of irresponsible optimism towards life generally and its problems ought to characterise the youth of any land. This will help progress as nothing else can. Youth ought never to suffer defeat nor should it countenance depression within its ranks. Looking forward with an eternal hope to the future and keeping its fighting spirit undiminished, it ought to count no suffering too great and no sacrifice too heavy. If that is so, young men like us should be ever active and should never give way to fatigue. When physical exhaustion is reached, healthy recuperation must be sought so as to refit us for the nation's tasks. Banish all thoughts of melancholy depression from your minds and we shall find hundreds of openings for the utilisation of our energies in the work of nation-building.

The one thought that is uppermost in our minds and exercises us at the present moment, as nothing else does, is this: What is and what will be the effect of the recent statement of Mahatma Gandhi on the political situation? Varied views have been expressed, some have seen in it a confession of Mahatma Gandhi's failure, while others still have understood it to mean a voluntary abdication of leadership on his part. Those who wished to see the end of what is called 'unnecessary suffering' have felt immensely relieved. All these are mistaken conclusions. Mahatma Gandhi has neither failed in the present nor will he fail in the future. His philosophy of life has no room for defeat. All melancholy mournful talk of failure is foreign to it. It is not Satyagraha which has failed us, but we have failed the author and director of Satyagraha. A frank admission of this fact is likely to help the future. Satyagraha is not fire walking. It is not a fad or a mere superstition. Neither is it a fanatical creed nor is it occasioned by force and oppression. Remove the load of oppression and it is automatically at an end. In fact it is a gentle invitation to put the Government's house in order and the more popular the Government becomes, meaning thereby the people's own, the more disarmed is the civil resister. There is nothing so potent as this as a method for the relief of oppressed people. To-day, it is true, it is out of the picture for all of us. A war-weary, tired nation has sometimes to seek rest. That does not mean, however, that it should go into hibernation and not take up any activity at all. Aggressive fighting remains suspended for the time. The fatigued nation is to lie low and bide its time. Even in actual war there are periods of prolonged fatigue which have to be accounted for. Is it not within our knowledge that during the last great war, after the first fierce onslaught of the German hordes, there was indecisive trench warfare for years before the final victory was won? The forces that retreated to safe trench positions in the rear did not clamour for surrender but held on to their posts of duty and combat-ed further aggression.

The Congress is for the present put on its defence. No one has either won or lost the fight. The Congress has to reorganise its forces and fight still for its rights. It gives up, it is true, civil disobedience for sometime. But it will not abandon agitation among the masses. It is but right that those who are against the continuance of civil disobedience should not be compelled to stick to it, but should on the other hand be given every facility to carry out their own plans of work. Those who desire to go to the councils cannot be kept out of them. To compel them to

act against their wishes, would be to weaken them. We may not believe in the efficacy of constitutional agitation which is somewhat of a blind alley. But we may have to remember that the "Congress Parliamentarians" whatever they may achieve or not are our own men. They have worked and suffered with us and will still do so. They are not less impatient of freedom. Their aim is to emancipate our people from slavery, even as ours is. It is not as if they are not conscious of the limitations of their method and hence are anxious to support and be supported by a country-wide agitation to be carried on by the most capable in the land. Constitutional agitation through the councils and other activity amongst the masses of the people need not necessarily be antagonistic. Both sections of workers can be mutually helpful. In fact when Congress ranks are fatigued, there should be no division amongst them but the maximum co-operation that is possible. While those who go to the councils may not exaggerate their claims and dope the people with false prophesies of work that can be done inside of them ; those who remain out should be casually chatty and not only not indulge in provocative controversy but should put themselves to active work strengthening the opinion among the people in favour of the Congress ideal.

Gandhiji has won many great things for this nation. He has redeemed the honour of this country by rousing its fighting spirit. He lifted us from the slumber of decades and imparted to the lowliest amongst us the spirit of resistance. He still wants to continue fight in his own person. The world will still witness the moral battle which can only end with the substitution of peace for oppression. Mahatma Gandhi has also raised the nation in the eyes of the world. India is no longer talked of as a congeries of people but as a nation fighting for its freedom.

All intellectual assent to this Government is at an end. We have at last learnt to feel as one man. Gandhiji has so energised us that even in the midst of darkening depression we are still in the search for new methods, for upholding the fight. We are as much to-day under Mahatma Gandhi's leadership as in 1921. Even those who differ from him seek his guidance and blessing.

What then is the work for us and how shall we set about it. It is not everyone who can go into the councils. The vast majority has to remain out and work among the people. The economic position is so distressing that the villager is virtually on the brink of ruin. The over-taxed peasant finds that cultivation has ceased to pay. The prices that he gets for his exertions are ridiculously low and give him less and less subsistence. His houses are in dilapidation, his health is in constant danger of being impaired and his children are uncared for. Unless he is helped by getting his tax burdens reduced, he will sink in despair. His capacity for production must be raised in all directions. His products must be made to get better prices. He must be taught methods by which he will be enabled to grow two blades of corn where one grew formerly. He must be saved from the drink curse which takes more of his income as the depression thickens. It is the Government that must be compelled to take all steps in its power to promote his happiness and this cannot be until in him is developed the ability to resist tyranny and oppression. The so-called untouchable has to be lifted out of his new social position. The breath of dignity has to be imparted to his life. Congress forces must be distributed among these people that they will become the virtual spokesmen of their grievances.

Unless we learn to be self-reliant we shall be thoroughly lost. No national institution can thrive unless we get rid of the notion that we are inferior. We must learn to think and act as if we were a free nation, not minding the alien Government that is about us. Fear must be banished from our minds. When we live without fear we shall also have enabled the peasant to do so. Unwillingness to settle in villages must also disappear. Only a few can be parliamentarians. But if those who remain out stand paralysed, we shall be running grave risks. The greatest danger to be avoided is to make politics the game of the few and not the life of the many. It is peasant politics that must dominate India and not Assembly lobbies. The former will have been truly accomplished only in case the youth of the country desires to give its best to the villages. In fact we should have a village service corps. I would even make bold to suggest a system of short term recruitment not to exceed two or three years for national service by young men. Continuous service may be exhausting but contingents of full blooded youth devoting a few years to the service of rural areas will lift the morale of the nation. A programme or work among the masses can be carried out only if hundreds of

young men are found willing to become rural workers. Any plan of action that does not provide for this will fail of real effect. The youth assembled here has to make up its mind in this respect. It has to suppress its ambition and become a humble instrument for rural service.

We are at a decisive moment in our country's history. To throw in our lot with the poor is the prime thing. The restraint that we show in our own lives will be the real test. It means abandonment of false standards of living which ensure no food for the poor but purely pamper the rich. More than even this, it implies a quiet retirement into one's own shell and a casting off the hustling temptations of town-living. While the villages exhibit its appalling poverty, those who dwell in the towns seem to live artificial lives out of all tune with the environment. Western civilisation has so over-whelmed us that it leaves no thought in our minds for the poor. We here in the towns living amidst comparative comfort do not feel the poignant agony of rural life. We have made education costly and kept it beyond the reach of the peasant. We have made the law so complicated that no peasant can come out of litigation without pauperising himself. We have made drink so easy a temptation as to make him a physical wreck. We are so addicted to pleasure that we have begun to boast of our urban, or shall I cynically phrase it as urbane, indifference to the unhealthy and luckless conditions in our villages. Being ourselves parasites there is no desire in us to do honest toil. We see a craving for the chance-life everywhere. The races are more frequented than ever before. All this works almost like robbery but no one feels the moral urge to stop it. Even respectable journalists are forced to live by advertising prizes for thousands of rupees. It should be our endeavour that till the peasant has enough to eat and live upon, to avoid all pampered existence and by restricting wants which are born of a desire to be luxurious and wasteful, make enough available to our own poor countrymen. Anything made in India and that in the village parts ought to be given universal preference over products either dumped from abroad or made in our town to fill the coffers of the rich. We do not desire to have a class-war or a fight between the haves and the have-nots. On the other hand we should so order our lives that the haves will give to the have-nots without being compelled by any external agency that which would be sufficient for the latter to lead a life latter worth living.

The twenty-one points laid down at the Karachi session of the Congress for the guidance of political workers explain the real intentions of those in charge of the destinies of this land. Relief to the over-taxed poor, a shifting of tax-burdens from the poor to the more able classes, a drastic reduction in top-heavy salaries and an all-round encouragement to rural manufacture are amongst the most important features of that programme. We were formerly saying that this message has to be carried to the villages but that will never meet the situation. It is not a mere question of passing it on or carrying it to the village. The message has literally to get rooted in the villages by continuous work therein.

Gandhim tries to build by avoidance of luxury, by promotion of a feeling of comradeship between the poor and the rich, and by an exaltation of the simple life. It is this last that becomes obligatory on everyone of us. Remembering that we, in the towns, lead a parasitical existence, it is but meet that we should be ever ready to help the villager in distress and make as much as is available from the towns to flow back into the villages.

It is doing in this that the khaddar programme operates as the most effective antidote to the poison of westernisation of our lives. It is an eternal reminder to us of the duty we owe to the peasant. It is symbolic of much that we have to do for him. If we desire to bridge the gulf that divides him from us we cannot do better than understand the spirit of khadi. Every piece that goes back to the villages has not mere money value but has a moral value which is not assessible in terms of rupees, annas and pies. It emphasises a simplicity of life which is ever so needed to keep us straight and modest. It represents an effort at self-reliance and enables those whose backs are broken to come into their own.

The choice of youth has to be made now and in the right direction. It is for us to answer as to what you and I will do to promote mass awakening, and resistance if that should still be unfortunately needed. It is for us to demonstrate that even a weary nation can be pulled out of its despair and made to assert its own right in the face of force and repression."

Second Day—Madras—29th. April 1934

Proceedings & Resolutions

The Conference, re-assembling to-day, adopted resolutions discussed at the Subjects Committee which met in the forenoon.

The Conference accepted wholeheartedly the creed of the Indian National Congress and assured the public that it would assist the working of the Congress programmes. The Conference requested the Congress and the public generally to assist in the formation of a village service corps to which the youth of the country could be recruited on a short term service basis not exceeding three years, any person willing to continue being enabled to do so even after that period. The youths assembled at the Conference expressed their desire to join such a service corps, if it was formed accepting a living wage.

The Conference also recommended that the Village Service Corps should be constituted for the purpose of (1) the political education of the villagers on the lines laid down in the resolution of the Karachi Congress, (2) improving village sanitation and water supply and the provision of medical aid wherever possible, (3) Khadi and Swadeshi propaganda, (4) work for the removal of the drink evil, (5) assisting agriculturists to improve the yield of their lands and also to get improved prices for their products and (6) the removal of untouchability.

The Conference condemned "the repressive policy" of the Government in Bengal in particular and in the country generally and called upon the Government to withdraw all repressive measures; and, in view of the fact that Mahatma Gandhi has suspended the civil disobedience campaign indefinitely, it demanded the release of all political prisoners including the Bengal detenus. The Conference condemned the present system of classification of political prisoners. It also condemned the present policy of transporting political prisoners to the Andamans.

The Conference recommended the formation of a permanent institution called "the Political Sufferers Aid Society."

The Conference condemned the lukewarm attitude of the Government in allowing the heavy import of foreign rice into the Presidency at a time when the ryots could not find adequate price for their produce. The Conference resolved that in view of the present plight of the ryots in the Presidency, the railway rates on all commercial crops and agricultural products should be forthwith revised with a view to giving facilities for the export of the same.

The Conference condemned the policy of the Government in not lowering the ratio of exchange from 18 to 16 pence inspite of an universal demand therefor, and felt that the delay in satisfying the public demand in this respect would lead to increased unemployment in the country and distress among the agriculturists.

The Conference considered the duties on matches and sugarcane as detrimental to the Indian manufacturing and labour interests, and as shifting the burden of taxation on to the poor.

The Conference extended its heartfelt sympathies to the textile workers now on strike in Bombay and hoped that an amicable settlement would soon be reached.

The Conference appealed to the youths of the Madras Presidency to give more attention to the study of Hindi than hitherto. It also called upon public-spirited merchants and directors of companies and institutions allied to the Congress to give employment to Congress volunteers.

The Conference supported Pundit Jawaharlal Nehru's denunciation of all communal organisations and resolved to support the fight against communalism in politics.

The Committee formed to carry out the above resolutions was composed of Mr. N. S. Varadachari (President of the Conference) and Messrs. S. P. Daivanayagayya Sripad Shanker, Jamadagni Nayagar, Alla Pichai, T. G. Lakshmanaswami Mudaliar, Thiruvengadam, V. Narasinga Rao, Jai Singh Bhaktia, Maheswara Arya, S. Gancsan and A. R. V. Achar.

With a few remarks from the Chairman and a vote of thanks proposed by Mr. T. G. Mataragan, the Conference was dissolved.

The Sikh National Conference

LAHORE—24th. MARCH 1934

The Sikh National Conference was held at Lahore on the 24th. March 1934 under the presidency of *Sirdar Kharak Singh*. In the course of his speech, the president said :—

"That the Premier's Communal Award was gross injustice to the Sikhs, and the sooner a campaign against its impracticability was started, the better would it be." The President said that important concessions were given to the Moslems in the Award, and the rights and privileges of the Sikhs were totally ignored. He appealed to those present to face the difficulties they might encounter in the attainment of Swaraj.

Sardar Amar Singh, Chairman of the Reception Committee, welcoming the delegates, observed that Sikhs were not only badly treated by the Government, but their aspirations were also ignored by the Congress. He reiterated that the Communal Award would never be acceptable to the Sikhs.

The Conference re-assembled on the next day, the 25th. March. Resolutions were adopted declaring the Communal Award as a most dangerous piece of document for Sikhs particularly and has been designed to create disunity among sister communities of India. The Conference appealed to Sikhs to prepare for making all possible sacrifice to get the Award cancelled and secure protection to Sikhs' rights, including their demand for 30 per cent representation in the Punjab Council. The Conference further urged the Central Akali Dal to enlist one lakh volunteers to achieve this goal.

Mr. Giani Sher Singh, blind Sikh leader, tracing the genesis of the communal problem in the Punjab, said that under the Montford Constitution, Muslims contented themselves with 46 per cent representation in the Punjab Council. In 1922, a meeting of important leaders of Hindus, Muslims and Sikhs was held at the instance of Lala Lajpat Rai, when Muslims demanded 50 per cent seats. The Punjab provincial Simon Committee recommended 83 seats against 82 for the remaining communities. This committee was presided over by Sir Sikander Hyat Khan, the present Acting Governor, and included men like Mr. Choudhury Choturam, leader of Zamindar Party in the Council, but the Communal Award gave Muslims a majority of seven votes against the combined strength of Hindus, Sikhs, Christians and others in the Punjab Council.

Proceeding, the speaker said that greatest injustice had been done to Sikhs, who with a population strength of 30,65,000 in the Punjab, got 33 seats, while Europeans in Bengal with more or less 20,000 population got 25 seats in that Council which meant that 95,000 Sikhs in the Punjab got one seat, as against the same for 850 Europeans in Bengal. He said that every inch of the ground in the Punjab was hallowed with the blood of Sikh martyrs. Sikhs under no circumstances would submit to Communal Raj in any shape or form.

After three hours' heated discussion, the resolution was carried unanimously.

Resolutions were also adopted deciding on starting a Sikh political organisation called the Sikh National League, expressing sympathy with Sikhs in Kapurthala and appointing a deputation to go into their grievances and bring about redress, asking the Punjab Government to assess land revenue on a basis of income-tax, reducing the water tax by half, abolishing the Hysiat tax altogether, condemning the demolition of the Gurudwara in Bhawalpur State and protested against the Government for punishing Babanand Singh 1914 Conspiracy Case prisoner, for "hunger-striking" in the Multan Jail instead of redressing his grievances. The Conference also condemned the policy of Government in detaining the 1914 Conspiracy Case prisoners until now and urging that they be released immediately. The Conference further passed a resolution, resenting the attitude of the Afghan Government, towards Gurmukh Singh and Prithwi Singh, as a protest whereof they are "hunger-striking" in the Kabul Jail.

After several other resolutions being adopted, the session terminated.

The Anti-terrorist Conference

CALCUTTA—6th. JUNE 1934.

All parties, called at the instance of over a score of political and commercial bodies, united at Calcutta on the 6th. June, 1934 under a common banner to condemn the recent Lebong outrage on His Excellency the Governor and to devise ways and means to counteract the terrorist forces in the country. Mr. P. N. Tagore, President of the British Indian Association, in the course of his address in opening the conference, said :—

We meet here under very painful circumstances. The recent attempt upon the life of our Governor by some misguided youths has shocked the whole country. We in this province, are more than shocked. Gentlemen, we are ashamed of these youths of criminal mentality in our community, of those whose depraved conduct the other day at Darjeeling is a matter of national reproach. It is an indelible stigma on the good name of Bengal, the province, above all others, which by constitutional agitation has won for India what has been achieved to-day by way of political concessions. Gentlemen, Bengal has hitherto stood in the forefront of political struggle in India. Our leaders who were respected and loved by the people of the country, and were held high in the estimation of their opponents, were those who hoisted aloft the banner of constitutional agitation. They believed in winning political concessions by constitutional means only. We, who are met here this afternoon, have never believed in the efficacy of the cult of either the bomb or the revolver. We have said so times without number, and we repeat it again. We have condemned the cult of the bomb and the pistol in unmeasured terms. The country has condemned it. It is difficult to conceive of any sane human being not condemning the activity such as we are met here to condemn.

What is beyond my comprehension, and I am confident, must be beyond the comprehension of all friends whom I see around me, is that our reputation for gratefulness should be sullied and soiled by the depraved conduct of some of our young men, by an attempt on the life of one whose services to our province have been of a beneficent character. Their efforts are far-reaching. Gentlemen, we cannot forget, without being ungrateful to His Excellency Sir John Anderson, the enduring services which he has been rendering to Bengal. Under his guidance, we, in this province, hope for the first time, ever since the introduction of constitutional reforms, to be a finally self-sufficient province, without being a supplicant at the door of the Treasury at Simla and Delhi. Under his benign rule, for the first time in our history, we shall know the economic possibilities of our province, which, if properly and considerably dealt with and given free scope, will be able to give an account of herself, such as few provincial units in India will be able to give. Gentlemen, Sir John Anderson's accomplishments for Bengal hitherto have been of a high order, not of a bureaucratic nature. They are expressions of high statesmanship, and we, the people of Bengal, high and low, who have the real interest of the country at heart, who want to progress on constructive lines without being destructive or disruptive in our thought and action, have not the slightest hesitation in offering our support to His Excellency in every direction of his multifarious administrative activities, all for the benefit of the people, and for the good and ordered government of the Province.

The government of the province must be the first concern of an administrator, above everything else. Government exists for the people. The Government which neglects their interest, their safety, their well-being, and the progress of their social organisation deserves to perish. And if, by recent legislations, Sir John Anderson proposed to achieve those ends, he deserves our thanks, our admiration and our gratitude, rather than a bullet in his heart or in his head from us, or any one in the country.

Words fail me to express the abhorrence I feel at the dastardly conduct of these youths. Little do they know, still less do they realise, the lasting damage they are doing to the political future of Bengal. If we are living to-day under restraint, every possible restraint, we have to thank these misguided youths for it, not the

Government, who are always doing their best to discriminate the innocent from the guilty, or the politically diseased, in the administration of the recent legislations rendered necessary by reason of the unending catalogue of sad and mournful events in this unfortunate province of ours.

I feel it is our imperative duty to let the Government know, in terms unmistakable and unequivocal, that we, the people of Bengal, landlords and tenants, are at their back, in their attempt to stamp terrorism out of the province by every legitimate means at their disposal. Gentlemen, terroristic activities have never done any country any good in the world's history. What has been at the back of national advancement is political consciousness. Terrorism has never, in the history of the world, given birth or rise to political consciousness in a people, least of all in a country as vast as ours, and inhabited by peoples and communities so numerous as those who live in India. But, gentlemen, these smack of sermons to those who are of a diseased mind, and I am fully persuaded to believe that sermons never convince those who are not already convinced. And yet I feel that much can be done through propaganda carried on systematically and determinedly, particularly among the youths of the country, that terrorism is not in the grains of the Hindu people, that it is opposed to the best instincts of the Hindu race, that it is opposed to the tenets of their religion, and that it is the worst reproach upon their culture. We should be prepared to strengthen the hands of the Government who has a well-laid out scheme of intensive drive against terrorism. Whenever we can, we should supplement its scheme of distributing pamphlets, and organising lectures, shows and demonstrations to expose the evils and the futility of terroristic methods. To these I would add the broadcasting of the benefits India has derived from British rule by men who are neither politicians nor partisans, but scholars and historians, pure and simple, and independent of the Government. Gentlemen, it is no use disquising the fact that these misdeeds on the part of some misguided youths have done incalculable mischief to our body-politic and have hampered our political progress. In proportion to the disrespect we show for the established authority and law in the land, in proportion to the unconstitutional means we adopt to achieve our political ends, shall we stand behind the civilised nations of the world? I repeat again, that exactly in that proportion shall we be adjudged guilty before the bar of civilised humanity. There is undoubtedly some close association between unemployment and vicious deeds. And idle brain is the devil's own workshop. The problem of unemployment in Bengal and among Bengalee youths has got to be faced and tackled for. I fully believe that lawless and terroristic activities will disappear with the growth of employment of the unemployed youths of Bengal. I shall, therefore, ask you, gentlemen, to devote your attention to a solution of this problem and if as a community or as a class we can be of any service in that direction, we ought not to shirk it. We will only help the Government in its endeavour to stamp terrorism out of the country. To play such a part and to afford our young men opportunities to keep away from the immoral and unmoral path of terrorism, is a duty, our supreme duty. They should be deflected from that dangerous course. The problem of unemployment is a serious problem for Bengal. These are the problems before us. Difficult and thorny they may be but, not, I hope, impossible of solution.

In this Conference, gentlemen, you are invited to consider what steps the country should take to convince all and sundry that the path to political enfranchisement is not through the bomb, nor through the revolver. It lies along the royal road of constitutionalism; not through subversive propaganda nor through terroristic activities. You have also to consider how best to help the Government of the country in its endeavour to put down what we are met here to deplore, and condemn. Remember gentlemen, Government must go on, that is of primary importance; it is the supreme task; Government cannot be allowed to be dismayed or discomfitted. That will be the negation of Government, the end of Government wherein lies a disaster the magnitude of which can be imagined better than described. I shudder to think of it. Gentlemen, you will, therefore, apply your closest mind to the problems before us, and think out the most practical solution of it, ways and means by which we, each one of us here in this hall, and outside, may be of assistance to the Government whose object is to maintain order in the State and to secure the safety of its people and officials, more than to preserve its power and authority unpunctured.

The *Maharaja of Mymensingh*, presiding over the conference, stressed the need for propaganda both on the platform and through the press. The *Maharaja* declared that terrorism was against Indian genius and was calculated to retard the growth and development of political institutions.

Sir *Hasan Suhrawardy*, Vice-Chancellor, Calcutta University, opined that for them to be successful in their endeavours they must make it a religious principle to speak in private conversations rather than in public lectures against terrorism and terrorist methods.

Mr. *H. P. Mitter* dilated on the political aspects of the terrorist movement.

A young man dressed in khadi and describing himself as Secretary of the "Anti-Terrorist Volunteer Corps" emphasised the need for intensive action to put down terrorism.

Mr. *Krishna Kumar Mitra*, the Grand Old Man of Bengal, who, it may be recalled, was a deportee in the palmy days of Swadeshi agitation, declared that they must eradicate the mentality which secretly sympathised with terrorists on the ground that the Government by their bad policy deserved this. He urged that the Press in India should not publish news of incidents likely to provoke the youths of Bengal to join the terrorist forces. Mr. Mitter solemnly asked the conference to realise that terrorists were not half-starved men, as they were popularly supposed to be, but sons of rich men and in certain cases sons of Government officials or quasi-Government officials. He declared that terrorism was fed not by money but by public opinion. He would ask the conference to regulate and control the public opinion.

Mr. *T. C. Goswami* observed that if their co-operation and services in this connection should be fruitful, they ought to persuade the Government to take popular leaders into its confidence and tell them what the real trouble was. It had been said that they were only passing resolutions. Those who said this, had forgotten that the means of checking terrorism were lacking in non-official leaders. Mr. *Goswami* conceded that terrorism was a menace alike to the Government and to the people and that was why he appealed to the conference to give solid effect to the resolution by creating real co-operation in this field between Government and popular leaders.

Mr. *W. W. K. Page*, President of the European Association of India, advised the conference to take into its confidence the leaders of mofussil districts mainly affected by the terrorist organisation. Mr. Page said that his community was principally victimised by terrorists. They had been waiting for thirty years for effective public opinion in Indian quarters against political murders and assassinations. Europeans were, however, surprised to discover that there had been secret sympathy for terrorists and instanced the case of the Calcutta Corporation which passed a resolution paying tribute to a terrorist murderer. He however recognised that recently the Corporation, of its own accord, expunged the above resolution from its proceedings. Mr. Page admitted that public opinion now was, however, changing for the better and was distinctly unfriendly from the terrorist point of view. The President of the European Association characterised this welcome change as a turning of the wheel. He hoped that as an offshoot of this conference they would have a network of organisations in Bengal to root out terrorism from the land.

A Professor suggested that mofussil youths should not be permitted to go to Calcutta for their education. That prevention would serve not only to ensure effective parental control over their wards but it would also help to localise the terrorist gangs and activities.

Mr. *A. H. Ghuznai* declared that the time had come for action. He referred to the situation in England and asserted that Mr. Churchill, Lord Lloyd and their die-hard satellites were receiving their inspiration and sustenance from Bengal terrorism. It had been suggested that at least in Bengal Law and Order should not be transferred to popular control. Indeed, three die-hards were arriving by air in India very shortly to collect evidence about terrorism and to prepare a case against the transference of Law and Order. Mr. Ghuznai asked: "What is Provincial Autonomy worth without Law and Order? It is not even worth the paper on which it is written."

Mr. *P. N. Guha* of the "Statesman" unequivocally condemned Mr. Ghuznai's arguments. He would not allow his judgment to be clouded by the consideration of Lord Lloyd and Mr. Winston Churchill. Mr. Guha declared: "Because executive officials of the present Government had been unsuccessful in their endeavour to put down terrorism, is it any reason why Law and Order should not be transferred? It is a most ill-advised argument, for I should think that the incapacity of the present Executive to root out terrorism afforded the best and an unanswerable case for the transference of Law and Order." (Continued cheering and cries of hear, hear.) Mr. Guha agreed with Mr. *Goswami* that unless the Committee was able to

bring about real co-operation between the people and the Government, their efforts would be useless.

Mr. S. P. Bose emphasised the need for the creation of a strong platform and Press on a nation-wide scale on the Congress model. Terrorism affected the land-lords of Bengal that should take a real leading part.

The resolutions were passed unanimously.

On the motion of Mr. J. N. Basu, the Conference appointed a large Working Committee representative of the various political and commercial interests to give effect to the resolutions of the Conference.

Mr. Surendra Nath Tagore, Chairman of the Reception Committee, welcoming the delegates, paid a warm tribute to Sir John Anderson's love for Bengal and his services in political and economic fields.

The All India Socialist Conference

PATNA—17th. MAY 1934

The first All-India Congress Socialist Conference was held at the Anjuman Islamia Hall, Patna on the 17th. May 1934. Acharya Narendra Deb of Kasi Vidyapith, presided.

The majority of the delegates to the Conference, it was understood, was anti-Swaraj but that did not mean that they were No-changers or that they all had the same attitude of hostility towards the question of Council-entry. For instance, the Bombay Presidency Congress Socialist Group had openly accepted electoral activity as part of the Socialist programme and on that programme they carried the Bombay Congressmen's Conference with them recently.

Altogether about hundred delegates attended the Conference from all parts of the country, the largest contingent being from the United Provinces under the lead of Swami Sampurnanand and Mr. Sri Prakash.

Bombay was represented by three prominent delegates, namely, Messrs. Masani, Purushottamdas Tricumbas and C. K. Narayanswami; Central Provinces by four including Dr. Ram Manohar Lohia and Madan Mohan Chaturvedi; Delhi by Srimati Satyabati Devi, Mr. F. H. Ansari and Pandit Indra.

Bengal sent 20 delegates, headed by Dr. Charu Banerji including two lady delegates, Mrs. Hari Mohan Chatterjee and Mrs. Rajani Mukherjee.

Chairman's Address

In the course of his speech, Professor Bari, Chairman of the Reception Committee, said that the real issues before the country were Swaraj and the form it should take and the method that should be followed to achieve it. These were the issues which the Conference must discuss and settle.

"Experience has abundantly proved," said the Professor, "that mere political freedom is of little use to the masses of mankind. It is all over the economic forces that the suffering mankind everywhere is trying to secure control. The masses of India cannot be satisfied with mere political freedom unless that freedom is accompanied by such a reorganisation of economic foundations of society as will eliminate all forms of exploitations of man by man and offer equal opportunities to all for moral and material progress. There is no gainsaying the fact that a small minority of our countrymen to-day is exploiting the vast majority. Will Swaraj alter this? To say that we shall not answer that question now means, in the words of Pandit Jawaharlal, that we stand by the existing order."

Presidential Address

In the course of Presidential Address, Acharya Narendra Dev said :—

"The policy of alternating between direct action in a revolutionary situation and constructive or legislative work according to one's temperament in a period of reaction does not commend itself to us."

Acharya Narendra Dev regretted the absence of their leader Pandit Jawaharlal in jail, but he was sure that Pandit Jawaharlal would hail with delight the birth of the new party. The president explained that they had met a day before the All-India Congress Committee session to decide on the proposals to be placed before the A. I. C. C. on behalf of the Socialists. In an elaborate address Acharya Narendra Dev dealt with numerous matters.

Dealing first with the question whether they should organize a party independent of the Congress, he declared himself in favour of keeping within the Congress, as "a Socialist will never refuse to join the fight for independence carried on by the lower middle class if he can thereby overthrow foreign domination. A capitalistic democracy is any day preferable to serfdom and subjection to alien rule." He emphasised the dangers of the new situation where under imperialism was making zemindars and capitalists as junior partners. The need of the Indian democratic movement was alliance between the lower middle class and the masses. It was only the intelligentsia that could organize the masses for disciplined action. The Congress was to-day not helping the working classes as was apparent from the fact that the Bombay workers' strike conducted so heroically was not receiving Congress sympathy and support. What was required was the correlation of forces and as most of the labour in towns was drawn from the villages these workers could become the standard bearers of revolution in the villages.

After describing the crisis brought about to-day by the capitalistic system and the race of armaments and tariff war, Mr. Narendra Dev said the only two alternative solutions were Fascism and Socialism. The Italian Fascism, though attractive in theory, had not yet been fully established as a corporate state, while the Nazi movement was a mere alliance between the lower middle class and capitalism to suppress Socialism. The only solution for the world was Socialism and the Russian experiment had shown its success as Russia was the only country without unemployment and its five-year plan had been copied by other countries. Mr. Narendra Dev claimed that Socialism had come to stay in India and was daily increasing in strength but added that most of us to-day within the Congress were only intellectual Socialists but as our long association with the national struggle had repeatedly brought us into intimate contact with the masses there seemed to be no danger of our degenerating into mere theorists and doctrinaires. We should avoid dogmatism and sectarianism. We must take our stand on scientific Socialism or social reformism.

Mr. Narendra Dev announced that Socialist committees would be formed in various provinces so that by the time the next Congress met they would form an all-India Congress Socialist Party. While he favoured an early special session of the Congress, because the present members of the A. I. C. C. did not represent the country as they were elected in 1931. Mr. Narendra Dev did not think that they would be justified in insisting that the question of council-entry be considered only by a full Congress session.

Defining the Socialist attitude towards the Swaraj Party, he opposed its autonomous existence as he feared that 'deprived of the healthy influences of a revolutionary movement the Swarajist organisation will in course of time become a *pucca*, constitutional reformist body and will develop a mentality which will run counter to the revolutionary policy of the Congress. The policy adumbrated by the new party is quite different from that of Mr. Das and Pandit Motilal Nehru. They had outlined a policy of consistent opposition from within the legislatures and were against the acceptance of offices. The new Swaraj party has not enunciated any such policy. It is admittedly a reformist body. It has no obstructive tactics to its credit, and the constituent assembly which they propose to formulate the national demand seems only another edition of the liquidated all-parties conference.'

Proceedings and Resolutions

1. COUNCIL ENTRY

After considerable debate the Conference passed by a large majority the following resolution on the subject of council entry :—

"This Conference is of the opinion that the resolution passed by the Lahore session of the Indian National Congress calling upon Congressmen to boycott the legislatures should not be rescinded except by an open session of the Congress. The Conference is of the opinion that if the Congress at its next session rescinds

that resolution the conduct of electoral and Parliamentary activity should be in the hands of the Congress organisation and such activities should only be in furtherance of a programme which is Socialist in action and objective."

2. ALL-INDIA SOCIALIST PARTY

The Conference also passed the following resolutions moved from the chair :—

"In the opinion of the All-India Congress Socialist Conference the time has come for an All-India organisation of Socialists in the Congress to be established. With this end in view it is resolved that (a) a drafting committee consisting of the following be appointed to prepare the draft programme and constitution for an All-India Congress Socialist party: Acharya Narendra Dev, President; Jayaprakash Narayan, Secretary; Messrs. Abdul Bari, Purshottamas Tricundas, Masani, Sampurnanand, C. C. Banerjee and Faridul Huq Ansari as members; (b) Mr. Jayaprakash Narayan be appointed Organising Secretary of the All-India Congress Socialist Conference to organise Provincial Congress Socialist groups where they do not exist on the basis of the programme adopted by the Drafting Committee and arrange for an All-India Conference to form an All-India Congress Socialist Party immediately prior to the next session of the Indian National Congress.

"This Conference sends its affectionate greetings to Pandit Jawaharlal Nehru and places on record its sense of appreciation of the lead given by him and his valuable services to the Socialist cause. It expresses its feeling of loss at his absence from its midst at a time when his guidance was most needed by the country."

3. TEXTILE STRIKE

"The All-India Congress Socialist Conference extends its sympathy and support to the textile strikers in Bombay in their heroic struggle against capitalist offensive against their standard of living and condemns the policy of the Government in openly taking sides against them by arresting their leaders and detaining them without charge or trial and placing restriction on their right of demonstration and police action in shooting and lathi charging the workers.

"This Conference condemns the unjustifiable firing by the police at the peaceful labourers of the E. I. R. Colliery at Giridih, who had gathered for the perfectly legitimate purpose of asking for the restoration of cuts made in wages."

All resolutions moved from the Chair were passed without discussion except that when the resolution relating to the formation of the Socialist Congress Party was moved, Mrs. Rajani Mulcherjee raised a dissentient voice and said that if they were sincere they should form a party outside the Congress. He would not object, however, if they converted themselves into a Congress group instead of a party. The amendment was rejected by 58 against 22 votes and the original resolution was passed.

Mr. Masani's Resolution

Then followed noisy scenes when Mr. Masani moved a resolution giving a direction to their delegates to move certain resolutions at the A. I. C. C. in connection with the Swarajist and Socialist programme.

The resolution regarding Council-entry constitutes one part of the mandate.

The second part of the mandate runs :—

"Whereas the preamble to the fundamental rights resolution of the Karachi Congress declares that, in order to end the exploitation of the masses, political freedom must include real economic freedom of the starving millions and whereas, in order to widen the basis of the struggle for independence and ensure that even after Swaraj comes the masses do not remain victims of economic exploitation, it is necessary that the Congress should adopt a programme that is Socialist in action and objective, the A. I. C. C. recommends to the Congress to declare as its objective a Socialistic state and, after the capture of power, to convene a Constituent Assembly (on the basis that every adult shall have a vote with the exception of those who have opposed the struggle for freedom and that representation shall be on a functional basis) for the purpose of formulating a constitution for an Indian State on the following political, social and economic principles :—

- (1) Transfer of all power to the producing masses.
- (2) Development of economic life of the country to be planned and controlled by the State.

(3) Socialisation of the key and principle industries, for example steel, cotton, jute, railways, shipping, mines, banks and public utilities with a view to the progressive socialisation of all instruments of production, distribution and exchange.

(4) State monopoly of foreign trade; production, distribution and credit in un-socialised sector of economic life.

(5) The elimination of princes and landlords and all other classes of exploiters.

(6) Redistribution of land to peasants.

(8) State to encourage and promote co-operative and collective farming with a view to the ultimate collectivization of all agricultures in the country.

(9) Liquidation of debts owing by peasants and workers.

(10) Adult franchise on functional basis.

"The A. I. C. C. recommends the method of organising the masses on the basis of their economic interests as the only effective method of creating the mass movement and the organisation by Congressmen of Kissan and Mazdoor Sanghas, and the entry into such Sanghas where they exist for the purpose of participating in the day-to-day struggles of the masses and with a view to lead them eventually to their final goal."

Mr. *Masani* moving the resolution said that they had no objection to a Parliamentary programme. He laid down three conditions on which the Socialists could lend their support to such a programme:—

(1) The programme should be sanctioned by an open session of the Congress, not by a handful of men.

(2) Parliamentary activity should be under the guidance and control of the Congress and by an autonomous body.

(3) The programme should be a full-blooded Socialist programme.

From what he could see, the Swaraj Party stood only for constitutionalism without any mass programme. He could visualise how the Swaraj Party would degenerate into responsive co-operation. If the Socialists were defeated at the A. I. C. C. they should pursue the struggle to the open session of the Congress and challenge the right of the A. I. C. C. to decide in favour of the Swaraj Party.

Mr. *Sampurnanand* seconding the resolution said that he did not have faith in the Council programme.

Mr. *P. Ghose* moved an amendment that the Socialist Party should give a mandate to every member of the Socialist Party whatever his own view to back the resolution in the A. I. C. C.

Mr. *Balakrishna Sharma* moved an amendment which accepted the position that the A. I. C. C. was competent to give sanction to Council programme.

Mr. *Kiran Das* moved an amendment which wanted the Socialist Party to urge the Congress to fight for the rejection of the White Paper, the repeal of the repressive laws, the release of prisoners and detenus and the early summoning of the Congress with a view to discuss the Socialist programme which should be implemented by the party which wins the elections.

Mrs. *Rajani Mukherjee* wanted the resolution amended so that the control of economic life will be with the workers and peasants and the fruits of their labours be not consumed by others.

A Sikh delegate said that Congress policy was half-hearted and had caused dissatisfaction. The Council programme was futile.

Interruptions and the raising of slogans marked the discussion of the amendments during which the criticism for and against Congress allowing Swaraj Party to be formed was made. There was charge of conspiracy against Congress by Socialists, replying to and repudiating which some maintained that it was Swarajists who were real "conspirators" as they wanted to undermine the influence of the Congress. Excepting the amendment of Mrs. Rajani Mukherjee all others were lost.

Mr. *P. Tricundas* of Bombay next moved a resolution that no Socialist can be a member of the proposed Swaraj Party or any communal organisation. Amendments urging a wider application by the deletion of the words "proposed Swaraj Party" and another adding the words "with the economic programme" after the Swaraj Party were lost. The resolution was carried.

The last resolution affirmed faith of the Conference in the efficacy of direct action as a weapon for the attainment of Independence and congratulated those among the masses who have suffered for the cause.

An amendment substituted "direct action" in the place of "Civil Disobedience" in the original resolution.

After giving thanks to the President, the Conference concluded at 9 at night. A Sub-Committee was formed to draft the text of the proposals to be placed before the A. I. C. C. meeting next day.

Socialist Criticism of W. C. Resolution

Messrs. Narendra Dev, Jayaprakash Narain, Sri Prakasa and Sampurnanand issued the following statement from Benares on the 22nd June 1934 :—

The resolution of the Working Committee regarding the Congress Socialist movement (*See p. 300*) came as a painful surprise. We were certainly not prepared for this deliberate offensive. The Working Committee speaks of loose talk on our part. If there has been any loose talk it is the Working Committee which has indulged in it. The committee talks of confiscation of private property and the necessity of class war as being the programme of the Congress Socialists. In the programme that was adopted at the Patna Conference there was no mention of confiscation of private property with or without any just cause. What the Patna programme speaks is the progressive socialisation of means of production, distribution and exchange. This does mean a gradual abolition of private property in the spheres named. It does not mean abolition of all private property. As for the first cause, the welfare of the greatest number and the human society as a whole is sufficient a just cause for us. As regards class war, to speak of the necessity of creating a thing which is ever present is meaningless. The question is not of creating a class war but of deciding which side we should take in that war, the side of the oppressed or the oppressor. There is no other alternative. The Socialists aim at the ultimate abolition of all class struggles by having a class-less society.

The Working Committee is further of opinion that confiscation and class war are contrary to the Congress creed of non-violence. This is the most surprising assertion which, we feel, it will be difficult for the majority of the Congressmen to accept. The creed of the Congress is the attainment of Purna Swaraj through legitimate and peaceful means. There is nothing in our programme, as adopted at Patna, which in any sense whatever can be said to be contrary to this creed. We too aim at the attainment of independence and the very fact that we are within the Congress means that we accept the principle of using peaceful and legitimate means. Now, we ask, how does the idea of a class war offend against the creed in question.

As for confiscation, we have already made it clear that our aim is the socialisation of industry, commerce etc. The programme as distinctly laid down in the Patna resolutions is meant to be brought in force by the Indian State after the political freedom has been achieved. This enforcement naturally will be through legislation. We fail to understand how a legitimate act of a free Indian State can be said to be against the creed. Does the Working Committee mean to say that the creed of the future Indian State will also be non-violence? This is a doctrine that cannot be subscribed to by anyone except by the religious devotees of non-violence. Here it is worthwhile to remind the Working Committee that even the Karachi resolution advocates state ownership of the key industries. How does the Working Committee reconcile this confiscation of property with its high conception of non-violence? How do we who merely want to extend this principle of nationalisation to other economic activities become rebels against the Congress creed?

The Working Committee says that it is contemplating a wiser and more just use of private property, to stop the exploitation of the landless poor. We shall await the results of its contemplation and in the meantime want to warn the masses and there can be no solution of their problems and no end to their exploitation unless the economic organisation is brought under social control. There can be no adjustment of class interests. There is no party in the society which can bring about and maintain this adjustment. Finally, we appeal to all Socialist Congressmen to muster strong at Bombay and put forth their best efforts to get our programme accepted.

All India Conference of Swadeshi Workers

The following resolutions were passed at the All-India Conference of Swadeshi Workers at Bombay on the 23rd. January 1934 :—

This conference refers the question relating to the definition of Swadeshi textiles to the executive committee for report, the report to be made on or before March 31, 1934.

Before preparing its report, the executive committee is requested to consult such persons and bodies as it may deem necessary including the following :—(a) Mahatma Gandhi, (b) Pandit Jawaharlal Nehru, (c) Millowners' associations and Handloom Weavers' associations in different parts of the country.

Until the definition of Swadeshi textiles is settled by the general body of the All-India Swadeshi Sangh, the organizers should carry on their activities on the basis pursued by them until now.

This conference resolves that 'Swadeshi non-textile goods' means goods other than cloth which are manufactured in India from Indian raw or basic material and with direction, management, labour and capital which are 66 per cent. Indian; provided that where Indian raw or basic material is not available it will be permissible to use foreign raw or basic material.

This conference recommends that the executive committee of the Sangh should take steps to appoint an all-India Swadeshi certifying board and make the necessary rules for its formation and guidance.

Until such board is established, the Sangha should recognize the certificates as regards non-textiles issued by the Indian Merchants' Chamber. The board should issue certificates as regards textiles when the definition of Swadeshi textiles is settled and the provincial organizations formed.

That goods other than those certified by the aforesaid Board or any other organisation recognized by the Sangha shall not be exhibited or sold by exhibitions or stores or other places of business affiliated to or certified by the Sangh.

This conference recommends to the executive committee that it should frame a set of rules for the guidance and control of certified Swadeshi exhibitions.

That in the meantime, the committee is requested to draft recommendations for the guidance of organizers holding Swadeshi exhibitions.

That in the recommendations, the executive committee should draw the attention of the organizers to : (a) the necessity of not allowing merchants other than those trading under certificates of the Sangha, to put up signboards with their own names but that they should be at liberty to exhibit on their signboards the names of manufacturers certified or recognised by the Sangha whose goods they exhibit ; (b) the necessity of issuing certificates of merit only to manufacturers certified or recognized by the Sangh.

This conference requests the executive committee to take steps to see that workers and affiliated bodies do not participate in exhibitions which are styled All-India Swadeshi Exhibitions without obtaining the permission of the Sangh for the use of such a name.

This conference calls on the executive to take steps to co-ordinate dates of Swadeshi exhibitions held in different parts of the country.

This conference recommends to the executive committee that it should organise : (1) A census of household requirements in rural and urban areas. (2) local survey of cottage industries in the country.

The European Polity

The Calcutta European Association

At the European Association Dinner held at Calcutta on the 8th. January 1934.
His Excellency the Viceroy observed :—

There is a feature of the situation in Bengal which is fortunately without parallel elsewhere in India. The terrorist movement which endeavours to achieve certain revolutionary aims by the assassination of Government servants is one against which the full resources and powers of the Government will continue to be unhesitatingly employed. This is the least that the Government, or any Government owes both to itself and to those devoted officers of the Services, who are at once the target of attack and the instrument by which the community is protected against these attempts to establish a revolutionary tyranny.

His Excellency the Governor of Bengal has in a recent speech dealt at length with the present situation, and the intention of Government, and I would merely wish to endorse all that he has said. The Government of India and the Government of Bengal are in the closest touch in this matter, and are in full agreement in their estimate of the situation and as to the policy to be pursued.

On the more general aspect, I would only add this, that the measures which the existence of the menace entails and will certainly be continued without intermission until that is finally removed, involve a province, which is unfortunately not one of the most prosperous, in large expenditure and divert much of the effort of the administration from its ordinary beneficent activities. This is the price the province is paying and must continue to pay for the continuance of this movement, and I ask myself how long it will be before public opinion among the classes from which the terrorist ranks are recruited will realise these elementary facts and understand that the terrorists are the greatest enemies of their own country. But there is another aspect of this terrorist movement, which I think it is important to bear in mind. The movement is no doubt in its purpose political and revolutionary and has existed in this presidency for many years. But I think that its opportunities for evil have been much increased of late owing to the economic depression which has recently overwhelmed the world, and from which the country could not expect to escape. It is a fact that, at the present time, we have too many young men and women passing out from our Universities with "B. A." at the end of their names and too few positions for them to look forward to when they want to start on their career of public service. The result is that lack of occupation produces in their minds feelings of disgust, despair and resentment, with the result that they fall an easy prey to the leaders of this movement, who lurk in the back-ground and use them at the most susceptible time of their lives to carry out their nefarious designs. I was delighted to learn, when I read Your Excellency's speech, to which I have already referred, that you have completely appreciated the situation, and have already set up a committee of enquiry into the economic condition of the province, in order to take the necessary steps to deal with what is one of the present causes of our difficulties. I am glad to know too that the Governors of other provinces are actively engaged in considering this important question. I can claim that I and my Government have not been backward in this matter for, as you all are aware, we have invited two eminent economists from England, Professor Bowley and Mr. Robertson, who are already in this country and who will collaborate with the leading Indian economists, in order to produce an economic survey which should much assist us all in our efforts to get to the root of this important problem, and take the necessary action, for there can be no doubt that one of our chief administrative purposes must be, besides insisting on law and order and pushing on with Constitutional reforms, to develop the economic future of India, in order to secure greater purchasing power for our people, and give wider opportunities of public service to the youth of India at the start of their career."

Thanking the European Association for the cordial reception, the Viceroy said that during the last two and a half years, they must have realised that the Government meant to govern, and give complete security to the law-abiding citizen to lead his life and to do his business without let or hindrance from those who wanted to disturb it. The Government had been severely criticised in regard to what were

called repressive laws which had been brought into existence. The repressive laws would not have been there, if the people had not made them necessary. As for the effect of those measures he could claim, on behalf of the Government, that at the present time India was more peaceful than she had been for many years past. He felt that the spirit of co-operation was now much wider and much more general in the country. It was needed to get rid of their difficulties, communal or racial, and in order to make India a complete member of the British Empire. Concluding, he trusted and prayed that Providence would guide them to achieve what they had all in view, namely the securing of peace, prosperity and happiness to all classes of the people in India.

PRESIDENT'S SPEECH

Mr. C. S. Steele-Perkins, President, in the course of his speech, said that the policy of the European Association in regard to India's future was "advance with safety and precaution." "We are of opinion that a Federation of the Provinces and States is a most satisfactory solution of the problem and that the White Paper represents the only practical scheme which hitherto has been evolved to achieve that end." They had given only provisional support to the broad principles of the document, because of certain vital modifications which the Association considered must be accepted if the success of the new reforms in India was to be ensured, and if there is to be security for Europeans and minority communities to carry on their avocations peacefully and successfully. The essential modifications were assurance of satisfactory financial arrangements for the Federation and its units before the inauguration of provincial autonomy, and such co-operation in the provinces as would ensure a stable Government; provision for more adequate protection against commercial and professional discrimination, full protection of the Services; and last, but by no means least, proposals to Police safeguards. He referred especially to Law and Order, and said that the Association were prepared to assent to the proposal for transference of the department to a Minister responsible to the Legislature, subject to certain essential safeguards being accepted. He examined the proposals in detail, and observed that despite optimistic assertions that terrorism was being held in check, it was as great a menace today as it had ever been, largely because the Government, in their effort to suppress the movement, received scant aid and little sympathy for those who ought to be the first to help in its eradication.

In order to ensure efficient working of the police, the Association demanded that there should be no general amnesty to prisoners convicted of terrorism or complicity of such crime, that the new constitution should assure maintenance of the direct personal contact of the Governor with the departments primarily concerned with the administration of Law and Order, and that the branches of the police which dealt essentially with terrorist activities, should be under the supervision, direction and control of the Governor-General acting in his own discretion. It also considered it to be essential that the new Provincial Governments, when they came into power, should possess powers afforded by the various Security Acts, which were due to expire in 1935, in order to protect themselves against any attack on ordered form of government, by those who had organised themselves for the purpose.

The U. P. European Association

The annual general meeting of the U. P. Branch of the European Association was held at Cawnpore on the 23rd. February 1934. As the chairman of the branch, Mr. T. Gavin Jones was unable to speak owing to an attack of influenza, the vice-chairman, Mr. Inskip took the chair and read Mr. Jones' remarks on the work of the Association. The principal work of the association had been the evidence before the Parliamentary Joint Select Committee. The memorandum of the association had been published and was before the meeting and contained as an appendix Mr. Gavin Jones' Minority Memorandum on the question of Law and Order. On the question, Mr. T. Gavin Jones said :

"After giving long and careful thought to this matter, before, during and after the Round Table Conference which I attended, I came definitely to the conclusion that safeguards can be effective in matters of legislation only, that the Executive Head of the State can prevent objectionable laws from being passed. But that in administrative functions, safeguards, either in the matter of Law and Order, racial

discrimination, commercial discrimination or any administrative act, are quite useless and will be found illusory in practise. The Executive of every Department will take their lead from the head of the Department, and if it is a Minister responsible to a Legislature that Minister must be influenced chiefly by the Legislature, and the intrigues within those legislatures, whatever the safeguards may be. The Governor can only use his influence, the power will be with the legislatures. That is a fact which I have never been able to get the majority of the Branches of our Association to face. Yet no one who has any knowledge of administration can deny that fact. The whole tone of any administration can be altered by a change in the Executive head. To talk of safeguarding yourself against the actions of a man to whom you give Executive power is to talk nonsense. You have either got to trust him or not to trust him, the fact that you give him executive power means that you do not trust him. We have always been so accustomed to the Governors controlling the administration that many people think and hope that they will continue to do so, but the question has to be answered ; will they be able to do so ?

Bearing this in mind, and studying the constitutions of other countries, I insisted throughout the Round Table Conference on every possible occasion that India is unsuited to Democratic Institutions as they exist in England, and I suggested a constitution such as Bismarck created for Germany, or something on the American method of Government. My point as regards India has always been that the Legislative, Judicial and Executive functions must always be kept separate, so that there can be no interference by politicians in the day to day administration and in the appointment of the judiciary. This is the principle adopted by the American constitution and by what used to be the German constitution. In practice it means that the Legislatures will have control of finance, but once these decisions have been made there can be no further interference. The Head of the State, the President, in India it would be the Governor-General and Governors, would carry out that policy and control all the service, including the Police and Army. There was nothing degrading or inferior in such a position. It is suitable to the peoples of America and Germany, and it is I believe the only system that will ever work in India. Now I come to a point which I wish to make clear. I have been accused of inconsistency for agreeing to the transfer of responsibility in the provinces. My answer is that I agreed to the transfer of central responsibility only after it had been made clear that the Army and Foreign Affairs would be reserved for the Viceroy, that all the charges for the Army, Services, External debts and pensions would be a first charge on the revenues (that is about 80 per cent of the revenue). That the Railways, Ports and the Currency authority would be transferred to Executive Boards independent of politics, that the Judiciary would be appointed by the Viceroy. There, therefore, only remained the Executive of Posts and Telegraphs and other minor departments with which the Legislature might interfere. The object of a fixed executive, namely to separate the Executive and Judicial functions from the Legislature, has therefore for practical purposes been settled, and I consented to the transfer of Central responsibility. It would however be much more logical to definitely and clearly make all the executive responsible to the Governor-General as was suggested by me. You will notice however that the Round Table Conference thought it advisable to separate the day to day administration of all the important departments of the Central Government from the Legislatures.

Unfortunately, I could not discuss the question of Law and Order at the R. T. C. as it never came up for discussion at the Federal Structure Committee, Law and Order being a provincial subject. The proposal of a fixed Executive which I originally made at the Round Table Conference for the Central Government is far more important in that Provinces as explained in my Memorandum.

I shall be told that a fixed executive is not democratic and India wants democratic government. My reply is that India will control the policy and govern India democratically by means of the legislatures. After all, President Roosevelt has entire autocratic control over his administration, but he cannot move hand or foot with his policy unless he can carry Congress with him. The Legislatures would have the same power in India. As far as the administration is concerned, it is essential for India to preserve continuity and to maintain the Governors' power until such time as India becomes homogeneous. There is no fear of discrimination and separate electorates are unnecessary.

I have pleaded with our Leaders in England to get down to fundamentals, and legislate for India in a manner suitable for India, but so far we have been served with a hotch-potch of ideas put forward merely because it is a compromise by

conferences which incidentally satisfies no one. Are not the Hindus in the Punjab, N. W. F. P. and Sind frightened to death on the White Paper Reform? Are not the Europeans in Calcutta stiff as to how the Minister-in-Charge will handle Law and Order, and are striving after impossible safeguards against terrorism? Do not the Mahomedans in the Hindu provinces fear the White Paper Reforms? There is no mutual trust, no homogeneity, and as far as the administration is concerned, every minority community very rightly fears the worst. However, much may happen within the next three years. Where the money is to come from to work these expensive governments with their extended franchise, no one has yet told us."

The Bombay European Association

Presiding over the annual general meeting of the European Association (Bombay Branch), held at Bombay on the 27th. February 1934, Mr. *W. H. Hammond*, retiring President, stressed the necessity on the part of Europeans to suspend judgment on the White Paper proposals until the Select Committee's report was published. Discussing the proposals, he said :-

Your Committee, in common with other branches, considers that subject to certain pre-requisite and essential conditions, the scheme outlined in the White Paper provides a satisfactory basis for the solution of the constitutional problem. But the Association's acceptance of it is qualified by the fulfilment of those conditions'. The speaker asserted that it was highly essential in view of the widened franchise, to have second chambers in the Provinces, as, in his opinion, otherwise the more extreme section would easily carry through measures in the absence of a nominated bloc. The Association's acceptance of the inauguration of Provincial Autonomy, continued the speaker, was based on the assumption that there would be full protection to the services, financial solvency in the Provinces and sufficient co-operation within them to make the reforms workable. As regards commercial safeguards, the Committee's views were the same as those of the Associated Chambers of Commerce, but in regard to professional safeguard they considered that scheme outlined in Paras 122 and 123 of the White Paper insufficient as they would not afford sufficient protection to British subjects engaged in professions in British India and therefore they had urged that British qualifications should be specially recognised in the new Act so as to avoid the danger of discrimination. While the Association favoured the transfer of Law and Order to responsible Ministers, they urged that the special branch of the C. I. D. dealing with crime should be reserved. He concluded with an appeal to Europeans to take greater interests in the Councils as with the inauguration of Provincial Autonomy, more work was bound to devolve on the Provinces.

The Punjab European Association

Presiding at the annual dinner of the Punjab European Association, held at Lahore on the 3rd. March 1934, Mr. *P. H. Guest*, president, proposing the toast of the Governor said that it was feared that the recommendations of the Joint Select Committee would fall short of the minimum requirements which we as association consider necessary before we could fully support the reforms scheme. The European Association's policy, briefly stated, was that the solemn declaration of October, 1927, must be implemented and the White Paper represented the only practical scheme evolved to achieve this end. Yet whilst the European Association supported the White Paper in general, we were insistent on certain modifications which had for their object, firstly, successful working of the reforms, secondly, security for Europeans and other minority communities; thirdly, prevention of chaos in the event of a breakdown of the machinery of Government under the new regime. After outlining these modifications, Mr. Guest continued that while that was the attitude of the association there was no justification for assuming that they all believed that the present reforms were for the immediate good of the Indian peasant—70 per cent. of India's immense population. Many of us believed that India was trying to secure much too speedy an extension of democratic type of government in a country in which almost every condition was flat negation of democracy. But he supported and

accepted the White Paper subject to conditions previously stated, because of its inevitability. We could not go back to bureaucracy, neither could we stand still under diarchy. The only possible course was forward which meant the White Paper, for there was no alternative. Mr. Guest emphasised that the European Association while fighting for the rights of Europeans in India was not unmindful of its obligations to India. Most Europeans in India were just as anxious for India's peace and prosperity as any Indian and he believed that in the not very distant future Europeans in the Indian legislature would be standing more shoulder to shoulder with Indians in the struggle for Indian economic nationalism. Concluding Mr. Guest said one could only hope that out of all this turmoil a system of Government not necessarily democratic would eventually be evolved which would be for the real good of India and that in that evolution the Europeans in India would play such a part that they would be recipients of India's thanks and gratitude instead of being, as all too frequently happened at present, the targets for assassin's bullets.

H. E. THE GOVERNOR'S SPEECH

H. E. Sir Sikandar Hayat Khan, acting Governor of the Punjab, in an appeal to the members of European Association said :—

"I would compare the White Paper to a watch composed of springs, wheels and cogs, containing here a jewel and there perhaps an unsightly piece of base metal, all fitted together and balanced so that the dislocation of any one small part may cause the whole to cease functioning. Some may dislike this cog or that piece of metal, but even the smallest and ugliest parts were essential for accurate working of the watch as a whole". When reflecting on any item of the White Paper, endeavour never to dissociate it from either its context or its relation to the remaining parts".

Continuing His Excellency observed that he 'felt confident that those who were wrestling with the problem were fully cognisant of the difficulties which to you loom large and that when the end was reached you will be satisfied that whatever ultimate decision your views were fully examined, carefully weighed and exactly evaluated'. His Excellency drew attention to the stress which the framers of the White Paper from the beginning laid on the necessity of financial stability in the new constitution and also referred to the steps taken in India to implement the policy so laid down by legislating for the creation of a Reserve Bank. He also reminded them of the Secretary of State's declaration that federation was a vitally essential element. His Excellency added : "We may chafe at the delays ; but federation was not yet assured, though hopeful negotiations were progressing.

Speaking of the transfer of law and order His Excellency observed : "While safeguards may be necessary, to omit the transfer would be to present a picture puzzle mostly fitted together but with a central portion missing".

His Excellency, also, referred to the Communal Award and said : "I think I may take it that you and I agree in the view that the time has come when all reasonable persons should drop their criticisms in view of the ineffectiveness of the efforts which have been made by Indians themselves to produce a better solution. It would be far more fruitful if our politicians interest themselves in the organisation of their parties and electorates, firmly resolved to make the new constitution as successful as the outgoing has been in the Punjab. If any section of Indians feel strongly against the award then the door of negotiations with their fellow citizens is still open. The time is gone for barren and carping criticism".

His Excellency spoke in appreciative terms about the recent visit of the Lancashire textile delegation and continued : "I am most anxious that the economic relationship of the two countries (India and Britain) shall be secured on the firmest foundation. Do not think we Indians fail to recognise what we owe to British pioneers of industry and commerce. Just as in administration, we have learnt much from you so you have taught us methods of worldwide trade. I am sure you will not find us ungrateful. If Japan can claim the privileges of a favoured nation, infinitely more do the British to whom we owe so much. It is natural in times of stress when a country such as ours is pressing its claims for wider freedom, that feelings should be stirred and it may be that at times hasty words have been spoken and misapprehensions and fears inspired, but when the political strife is over, decisions taken and our course set, then I am confident that you will find uppermost in our minds gratitude to your great country which has so steadily and honourably pursued the policy laid down by Queen Victoria.

The Pan-Asiatic Labour Congress

The following report of the Congress taken from the "Ceylon Daily News" will be found interesting :—

The first Pan-Asiatic Labour Congress held a session on the 10th. May 1934 at the Ceylon Labour Union Headquarters, Canal Row, Fort, Colombo.

Proceedings commenced with the singing of "The Red Flag" in English, the Ceylon Labour Union Band providing the music. The Japanese delegates then sang the same Labour anthem in Japanese. This was followed by the singing of the Sinhalese Labour song, the Band accompanying. Mr. A. E. Goonesinha, President of the Ceylon Labour Union, welcomed the delegates in a brief speech.

The following delegates were present:—

Japan:—Messrs. T. Kikukawa, K. Suguki, E. Jwanag, E. Suguki, and I. Aisawa.

India:—Messrs. Jamnadas Mehta, K. M. Joshi, S. C. Joshi, W. Francis and Mrs. Francis.

Ceylon:—Messrs. A. E. Goonesinha, S. W. Dassenaika, Dr. C. J. C. de Silva, Miss. J. Ferdinand, Dr. C. W. S. Ferdinand and Mr. R. Kanagasunderam.

Mr. Peri Sunderam, Minister of Labour, Industry and Commerce, then declared the Congress open.

GREETING FROM JAPAN

Speaking in English, Mr. Aisawa said he brought to the Congress the greetings of the workers of Japan. This Pan-Asiatic Congress of Labour was a dream for the realisation of which the workers of Japan had been labouring during the past ten years. At every annual Congress of the Japanese Trade Unions they had urged action of this kind.

HISTORY OF THE MOVEMENT

Mr. K. M. Joshi, on behalf of the Indian delegates, said that what struck him forcibly at the various International Labour Conferences held at Geneva was that labour conditions in Asiatic countries were considered to be a drag upon the progress of the workers of the world as a whole. Consequently they were placed, at all these International Labour Conferences, in a somewhat humiliating position. Another conviction that forced itself upon his mind was that the fact that these unequal conditions that existed in Asiatic countries did not permit of progress in Asia. Asia was under another handicap in that she was not adequately represented at the International Labour Conferences. At only two conferences were the Chinese present.

After giving a brief history of the movement to establish a Pan Asiatic Labour Congress, Mr. Joshi concluded by pointing out that a Pan Asiatic Labour Congress was not meant to be separate from or antagonistic to the labour movements in other parts of the world. They realised that the strength of the workers lay in their solidarity.

Resolutions

The following resolutions were passed after discussion :—

"This Congress requests the Workers' Delegates from Japan and India at the 18th session of the International Labour Conference to press for the appointment of a separate commission to consider the extent to which general conventions on question of hours of work and unemployment insurance can be applied to newly industrialised countries.

"This Congress views with great alarm the present economic distress of the industrial workers in Asia. While it recognises that the worldwide depression and the tariff walls raised in several countries are largely responsible for the depressed condition of the industries and trade and while it further recognises that the conditions in Asia as elsewhere have been accentuated by exchange, fiscal and financial policies of Governments, it holds that the methods of rationalisation, wage cuts and retrenchment adopted by employers have seriously reduced the purchasing powers of the masses and thrown thousands out of employment. The Congress is opposed to all economies in the name of rationalisation unless it is accompanied

by measures recommended by the World Economic Conference of 1927, in its resolution on rationalisation and more especially by a reduction in the working hours without reduction in the rates of wages and without increasing the strain on the workers. In the absence of these safeguards, rationalisation must invariably result in entailing more work on the operative and more unemployment and wage cuts.

"While recording its conviction that social ownership and control together with international co-operation furnish the only adequate and lasting solution of all industrial and economic problems, the Congress believes that during the transition period vigorous efforts should be made by all parties concerned to adopt, *inter alia*, the following measures:

(1) Immediate reduction of working hours to at least forty per week without reduction of wages and a drastic restriction of overtime, as a means of diminishing the restoration of the "economy" cuts in the social services and in mani-

Initiation by Government and works financed by the use of national credit, as have already been adopted in several countries; (6) Prohibition of child labour under 14 years of age and raising the school leaving age to that limit; (7) Legislation for fixing a minimum wage in industries and in other industries where the workers' organisations do not exist or are too weak to resist the employers' attacks on their standard of life; (8) Introduction of comprehensive schemes of social insurance.

"This Congress views with alarm the recent political developments that are taking place in many countries since the last War, leading to the overthrow of democracies and installing dictatorships in their place. This Congress regards such developments as a source of friction between nations and nations, and the negation of personal and political freedom. It affirms its faith in genuine democracy under which alone the masses and the working classes have a fair chance of securing political power and of improving their economic and social conditions.

"This Congress condemns the policy of repression, which has been pursued in Germany and Austria under the Hitler and Dollfus regimes, and extends to the workers' organisations in those countries, both political and industrial, its warmest sympathy in their sufferings.

"This Congress records its definite opinion that the grant of political freedom and the right of self-determination to such of the countries in Asia as are under foreign domination is essential in the interest of international understanding and world peace."

"Whereas national, economic and political rivalries in the world have for some years past been threatening the disturbance of international peace; and whereas the failure of the World Economic Disarmament Conferences has aggravated the danger of another conflagration more disastrous than the last war, this Congress is of the opinion that international understanding and good-will alone will prevent such a catastrophe and this can be secured by progressive abatement and eventual elimination of imperialistic policies and the establishment of social justice.

"This Congress therefore pledges itself to co-operate with the Labour movements of the other countries in bringing about these conditions.

"This Congress strongly protests against the employment of Police and Military forces in industrial disputes, ostensibly for maintaining law and order but resulting in the intimidation of workers and forcing them into submission to employer.

"This Congress further protests against the use of Ordinances and repressive legislation for the suppression of political and civil liberties of the people of India and elsewhere.

"Whereas under the existing constitution of the I. L. O. the colonies and dependencies of Member States are not directly represented at the meetings of the General Conference and whereas the growing industrial development of these colonies and dependencies calls for such direct representation to make the conference truly international, this Congress requests the I. L. O. to take steps for securing direct representation.

"This Congress further requests the labour group of the I. L. O. to support any proposal that may be brought forward to secure this object.

"Whereas under the existing constitution of the I. L. O. the Member States with colonies and dependancies are not obliged to apply the conventions ratified by them to such colonies and dependancies, and whereas in the absence of such obligation

those territories hardly get any benefits from these conventions, this Congress requests the I. L. O. to take such steps as will make it obligatory on the Member States to apply the conventions when ratified by them to their colonies and dependencies".

"This Congress invites the attention of the I. L. O. to the resolution passed in 1931 about the Tripartite Asiatic Labour Conference under the auspices of the I. L. O., and urges the I. L. O. to expedite the holding of such a conference.

'Whereas there has been till now no titular representation of Asiatic labour on the governing body of the I. L. O. this Congress urges the I. L. O. to allot a minimum of two seats to Asiatic labour.

"This Congress requests all national labour organisations in Asia to invite fraternal delegates from other Asiatic countries to their annual conferences.

"This Congress assures to the International Federation of Trade Unions of its full co-operation with it in all matters of common interest".

According to the revised draft of the Constitution it was required to elect a President, three Vice-Presidents and two Secretaries. It was proposed by the Japanese delegates that a Japanese be elected as President whose name was to be communicated later. The three Vice-Presidents were to be selected from India, Ceylon and China. As regards the two Secretaries it was suggested that one should be from Japan and the other from India.

This was agreed to and one Secretary (India) was elected in the person of Mr. R. Bakshali of Bombay.

It was resolved to hold the next session of the Asiatic Labour Conference in India, the exact place to be named later. The business then concluded.

Mr. J. Mehta, leader of the Indian Delegation, proposing a vote of thanks, said that the work of the first Asiatic Labour Conference having come to an end it was a matter for thankfulness that the Congress had done its business in very business-like manner. Their thanks were particularly due to the Ceylon comrades who had made it such a grand success. He thanked the President of the Congress, Mr. Goonesinha, who had presided over the first Congress with dignity and ability. "Although the beginning is small as we all recognise it, there rises before my eyes", said Mr. Mehta in conclusion, "the vision of the future of the Asiatic Labour Conference composed of delegates representing the continent of Asia, Egypt, Palestine, Syria, Arabia, Persia, Afghanistan, India, China, Japan and many others. In fact when the Congress is more fully developed half the world will sit round it and its deliberations will influence all world organisations".

Mr. T. Kikukawa, on behalf of the Japanese delegates in seconding said : "To-day Japan unites with India in forming a social collaboration for the realisation of justice. It is my hearty prayer that we will continue to collaborate for the upliftment of the conditions of labour through Asia".

POTENTIALITIES OF THE MOVEMENT

The following impression of the Congress from the pen of Mr. B. Shiva Rao, as appeared in the "Hindu" of Madras may be read with interest :—

Considerable significance attaches to the first session of the Asiatic Labour Conference which was held at Colombo on 9th May. It is true that the number of delegates was small, but the importance of the movement is not to be measured by such a standard. The first move for such a Conference was made at Geneva about eight years ago, and the late Albert Thomas was a keen supporter of the proposal. At successive sessions of the International Labour Conference, Indian workers' delegates stressed the need for such a Conference to devote its attention exclusively to the solution of the problems of the Asiatic workers. But the Governments of the countries concerned were unwilling to bless the idea, and ultimately it was decided last year that if Geneva would not convene it, the workers of the various Asiatic countries should undertake the task on their own initiative.

There is no doubt that if the recent Conference at Colombo has been under the auspices of the I. L. O., it would have had a much bigger status. At any rate, there would have been present representatives of the employers and of the Governments of the Asiatic countries which are members of the League of Nations—comparatively few, it must be admitted—and the proceedings would have had world-wide publicity.

But Geneva is dominated by the European Powers, and particularly by those responsible for the Peace Treaty. The problems which come up for consideration

are of the White races, and the approach to them is almost entirely European. Looking round the Conference, at any session, and the various committees, one cannot help feeling how little the coloured races are represented at Geneva. Even in the worker's group the leading places are monopolised by the European representatives, and one has to be grateful for an occasional small mercy, if an Indian or a Japanese is accorded the honour of being a substitute member. To what lengths a member of the League can go in defeating the objects of the I. L. O., was well illustrated at the Conference of 1930. The main item on the agenda was the convention on Forced Labour. There was a "splash" of colour at this session. India, Japan, the Dutch East Indies and France, all having non-European representatives. The "French" representative was an ebony-black African who spoke, it was said, perfect and most eloquent French—but in uncompromising opposition, (on behalf of the slavery-loving Africans presumably!) to the Convention.

Since then, Geneva's prestige in general has sunk low, for reasons which one need not discuss here and there is no longer the necessity for taking the decisions of the I. L. O., with that seriousness which was once attached to them. India's "representatives"—as a rule, the High Commissioner in London—has far less hesitation to-day in explaining to the Conference why a convention has not been ratified than his predecessors, especially in the years which immediately followed India's recognition as one of the eight leading industrial powers in the world.

Bad and unpromising as the outlook seems for Asiatic workers, they have a great part to play in the reconstruction of the world's economic system. Plainly and briefly put they have to fight imperialism on all fronts, not only for their own emancipation but on behalf of all the coloured races. To a greater or less extent, almost every one of the European Powers has a vital interest in opposing the emergence of a movement of the coloured workers. Germany alone among them, supported without qualification the abolition of forced Labour: but then, as a cynical critic remarked, what was her record as a Colonial Empire, and what attitude would she have maintained if that Empire had not been dismembered after the war?

It is not going to be an easy thing for Asiatic workers to go ahead with their organisation. Are France, Britain, Holland and even Japan—the principal Imperialist Governments concerned—going to facilitate the growth of a movement whose success must mean, some day the end of their domination? The most discreditable efforts have been made in Africa to break the morale and the solidarity of the workers' movement. Is Asia which is perhaps even more necessary for the maintenance of Imperialism, going to be an exception?

In this Asiatic Labour movement, India is destined to play the most important part. Her position on the map is such that no other country can claim greater advantage. Moreover her workers are spread in so many lands—Burma, Ceylon, the Malay States, South and East Africa, British Guiana, etc., etc.; and they have been, in the main, the foundations on which British Imperialism, unquestionably the strongest in the world, has been built. If they can be broken, whether violently or by rapid but peaceful readjustments, all other forms of Imperialism must sooner or later share the same fate. The greater part of the press of Continental Europe may have sharp criticisms of British policy to offer—but never in regard to India or the Colonies. There they must hold together, if Europe's prestige is to be maintained. And even the European workers' support can be relied upon, only to a point; but it would be a mistake to think that their interest in Asiatic workers is altogether altruistic and that they have risen above Imperialistic considerations.

But whoever helps and whoever hinders, this idea must be developed. There are Leagues against Imperialism in the world, but no League has, potentially, such possibilities before it as this Asiatic Labour Conference. And even if it cannot fully justify its present name in the immediate future, there is enough to do for the Indian workers to concern themselves with the problems of their fellow-countrymen in the far-flung portions of the British Empire.

Three cheers were called by the Ceylon delegates to the visitors and they in return gave three cheers and three "bauzais".

Before leaving, the visitors were greeted by the Labour "Red Shirts" and Mr. Kikukawa on behalf of the workers of Japan expressed his thanks to them for the kindly welcome extended.

BRITISH INDIA AND INDIAN STATES

January—June 1934

British India & Indian States

The Rajputana States' Peoples' Conference

The Rajputana States' Peoples' Convention was held at Beawar on the December 31, 1933 & January 1, 1934. The following are extracts from the presidential address delivered by Amritlal D. Seth :-

Let me first of all discuss the question of questions of to-day, I mean the question of All India Federation. Is it really coming? When is it coming? It is beyond our powers to know the answers to any of the above two questions. But this much we know that after having secured our consent to the idea of an All India Federation in its abstract sense, the British imperialist is straining his every nerve to-day, to force down our throat, a so-called federation which is, to put it in brief, quite the reverse of our intention, expectation and ambitions. So far as its present form as seen in the White Paper proposals is concerned, and we do not think there is a chance of any substantial alterations, let us, the people of the States, make our position clear by stating it in simple and unambiguous terms that we are opposed to it. We do not want it. We wish that the whole scheme should fall through. We should make all efforts that are humanly possible, to defeat the imperialist object of forcing this federation on us.

By improvising quite an army of safeguards, a few little loopholes that admitted some little air of hope for relief, have been sealed up in the new structure of federation. By refusing us our fundamental rights in the new constitution and by barring our way to election in the new representative houses, all avenues of hope for the future have been shut up for ever. The proposed new constitution while taking away the little that we thought we possessed, has further empowered the princes by providing for them the places of power and influence in the newly planned constitution thus proposing to reduce us to the position of slaves and helots of middle ages and that by the nation which is boisterously loud in its "professions of sympathy for the suffering mankind, anywhere on the surface of the earth I, therefore, call the White Paper a poison paper pure and simple; the mere touch of which will land us in the realm of father miseries and trouble. These are of course reasons for us to refuse the White Paper. But I feel and I maintain that even the princes have quite sufficient and solid reasons to refuse to walk into this imperialist parlour of the proposed constitution. What are they? Let us analyse the situation. British imperialists insist that the princes should come into the federation. Why do they so insist? Because they want some parties that can be balanced against the nationalist interest in the new constitution and they intend that these new parties should be such as would remain under their thumb for all time and for all purposes. Communalists are there, but they are unreliable. One wave of nationalism may wipe the whole school out. Landlords are there, but the new world situation is such that it would be impossible for the industrialists to hug them to their heart for all time; and against theirs will be a very minor influence in the new constitution. Princes are only big solid block that has permanent and big stakes and whose position can be effectively manipulated to suit the imperialist interest. They can be so handled that it would be impossible for them to leave the company of the British imperialist. In the new proposals, the British imperialist gave and is still prepared to give almost everything that the princes demanded so long as it concerned the people of the States and the people of British India. But when the demands come to regulate, codify or otherwise convert into "some definiteness the present altogether indefinite nature of powers of paramountcy, they have stuck to the formula that 'paramountcy will remain paramount'. It cannot be defined.

In this respect I welcome the proposed move by some of the Congressmen to start a nation-wide campaign to sabotage the White Paper. I further assure the British Indian workers on your behalf that they will have the fullest cooperation of the States, people in any plan of concerted action that may be devised for this purpose of sabotaging the White Paper.

Many are the baits that are thrown by the British Government to rope the princes in the projected All-India Federation. The 'Princes' Protection Bill' that is before the Assembly, is one of those baits. My friend Prof Abhyankar has already covered this ground and exhaustively replied to Sir Harry Haig's arguments in favour of the bill. Our all-India organization, the Indian States' Peoples' Conference, is issuing very shortly a pamphlet which exhaustively deals with all the aspects of this bill. I only wish to remind Sir Harry Haig a little of the previous history to show how the princes have consistently ignored the advice of the Government and proved themselves quite unworthy of the support that is being extended to them now. The Montagu-Chelmsford Report specially advised them to introduce reforms in their States and of course the authors of the report could do nothing but give advice. Then go through the whole series of Viceregal addresses, delivered either at any investiture ceremony or on other occasions; and see how these pieces of advice have been treated with scant courtesy by the princes. Then look into that famous private letter of Lord Irwin to the princes wherein the Viceroy even let down the Montagu-Chelmsford advice of constitutional change, and as if in desperation, merely asked them to be benevolent despots. We have seen how even this most moderate request has been cast in the wastepaper basket by the princes; and still the Government of India has been extraordinarily solicitous of the princes.

The Indian States' Peoples' Conference

The Special Session of the Indian States' Peoples' Conference was held at Delhi on the 3rd. February 1934. Mr. K. Natarajan, presiding over the Conference, in the course of his speech said :—

I thank you for the honour you have done me by selecting me to preside at this Special Session of the Indian States' Peoples' Conference. It is an honour which I have done nothing to deserve and one which, certainly, did not lie within the scope even of my remote aspirations. And that is why, when the invitation came to me, it came as a call not to be explained by secular reasons. I am not the subject of any Indian State. But I had chosen early in life a field of public activity which overleaps political jurisdictions. 'The Indian Social Reformer' has to take note not only of the state of things in British India but also in the Indian States. The great leader of the social reform movement, Mahadev Govind Ranade, indeed, held that what is happening in the States is of even greater sociological interest than happening in British India. For the heart of India, he said, beats in the Indian States. Some of the States have outpaced British India by the measures which they have taken to advance social reform. Mysore and Baroda adopted measures against child-marriage and the amelioration of the condition of the depressed classes, years before we in British India were able to do. In respect of free elementary education, of women's rights of property and of removing legal impediments to the mitigation of caste divisions and restrictions, Baroda is even now ahead of British India.

I have already referred to Baroda and Mysore. I may also mention Bhavnagar which alone among the States and Provinces of India has introduced and is successfully carrying out the policy of total prohibition in its territories; Travancore whose young Maharaja has signalised the opening years of his reign by according to his subjects of the untouchable classes rights and liberties previously denied to them, which has earned for His Highness the warm congratulations of Gandhiji, the great champion of Harijans and the powerful impetus given by His Exalted Highness the Nizam to the cause of women's emancipation from cramping customs by his public declaration and practical example in his own household in favour of the abolition of purdah which with child marriage, is responsible for the stunting of the physique and intellect of Indian women. To me, as a social reformer, these are services of the first magnitude to the cause of national regeneration, and great is the debt of gratitude we owe to these States and rulers for their powerful support of those vital reforms. The political backwardness

of the States naturally strikes the politician as the chief fact about them. The social reformer, however, is necessarily obliged to set against this backwardness, the greater facilities which the States have, and in some cases have already used, to advance social progress. In my young days I was an admirer of Lord Dalhousie's policy of painting the whole of the country red. This, I thought, would have simplified the union of India into a single nation. So would have the conversion of the whole country to one of its important religions, or better still the abolition of all religions. These fancies are attractive to young minds; but they do not stand the test of mature study and experience. The decision to retain the States, which had not been already annexed, under their own ruling houses, was a sound one, sounder than the reasons which led to it at the time when it was taken. I am, therefore, a believer in the beneficial possibilities of the States and would support every measure calculated to consolidate their strength and to stimulate the enormous potentialities for good which they possess. I have no hesitation in echoing the sentiments which my friend Dewan Bahadur A. B. Lathe expressed in his admirable address to the Deccan States' Peoples' Conference last month. "I have," he said, "all my sympathies with the attempts of the Princes to defend their rights, inherent as well as acknowledged by treaties, against encroachment. They are so many attempts to safeguard Indian freedom as far as it exists. There is no doubt that it exist to a greater degree in the States, if well managed. It is, therefore, a service to the cause of Indian freedom that the Rulers of the States should make every effort to maintain their sovereignty in their own States inviolate."

In introducing the Indian States' Protection Bill, which this Special Conference is called to consider, the Hon. Sir Harry Haig, speaking as the Home Member of the Government of India, said: "Geographically, India is a whole. The Indian States and British India are inextricably intermingled. No great (or, I may add small) geographical barriers, no racial distribution really separates the States from British India. We pass imperceptibly from one to the other. For good or for ill (I say only for good) the India States are part and parcel of India." We are grateful to the Home Member for recognising and so clearly enunciating this basic fact which is commonplace to us, Indians, but which is often overlooked by the paramount Power. We should have been still more grateful to him, if he had followed these premises to their legitimate conclusion, instead of pressing them into service as an argument for a measure which is bound to have the effect of penalising the press and people of British India for exerting themselves to bring about improvements in the Indian States, whose people are, so to speak, bone of their bone and flesh of their flesh. The Home Member, I am aware, assured the Assembly that there was nothing in the Bill to prevent the ventilation of genuine grievances, putting forward proposals for reform, the whole range of activities comprised in the word "Constitutional." We have had similar assurance in regard to other laws. Unfortunately, the courts do not take notice of assurances even by members of Government in interpreting statutes. We know from experience that the laws now proposed to be extended to the States, have, in British India where they have been in force for sometime, not always or invariably been interpreted in the light of the assurance given when they were before the legislature. The Home member's own conception of what is unconstitutional action is as vague as it is wide. "Bringing the administration into hatred or contempt" has been interpreted in various ways in British India where personal rule is largely a thing of the past. In many, perhaps most, States the ruler is the administrator of the State. His personal likes and dislikes, virtues and vices, tastes and habits, affect the administration as they do not do in British India. Those, therefore, attract criticism in connection with the administration. A city set upon a hill, cannot be hid. Weaknesses and foibles, which in ordinary men pass without comment, are magnified and seem heinous in a person who stands on the highest eminence in the State. The fierce light which in all times and countries beats upon a throne, does not spare the gadis of Indian rulers. It is the penalty of their great position. The only sure way of avoiding it, is for them to interpose between themselves and the world outside the ministers responsible to representative popular bodies. Wherever this has been done, in India as well as in other lands, the throne has become immune from criticism. The universal indignation recently caused by an inadvertent remark of a Labour leader, Sir Stafford Cripps reflecting on "Buckingham Palace," is an eloquent testimony to the sanctity which a constitution confers on the person of the monarch and the institution itself of monarchy.

I lay so much stress on this, as I have been often sickened by the amount of

personal invective which bulks so largely in some criticisms of the administration of some States where the rulers are personally responsible for it. I have discussed this unsavoury feature with responsible States' subjects, and their explanation is that the personal character of a ruler in such a case has a definite influence on the integrity of his officers and the purity of his administration. The Paramount Power can best protect such States and help them to a stable and prosperous existence by using its tremendous influence to induce them to adopt some form of constitutional administration, even of an elementary character. I suspect that it is these personal attacks which Princes feel most keenly, and this seems to me to be the only sure means of protecting them from them. Meanwhile, I would earnestly impress on all journalists, who are conscious of the responsibilities of their great profession, to avoid as much as possible personal attacks on rulers, because such attacks defeat the very purpose of their criticism, which is or ought to be to bring about improvement in the administration. To tell a man that he is a hopeless imbecile, is not the way to encourage him to do better. There is, as the great religions teach us, a spark of the divine in all of us, high and low, and reverence and charity are the qualities which kindle it to high endeavour.

Sir Harry Haig assumes, I do not know why, that the States should continue in their present condition for all time and that they should be maintained in it for the good of the country as a whole. This is no surprising view to take by a responsible member of Government that it should be quoted in his own words. "I do not think," he said, "it requires much argument to show that the various Governments that exist in India, certainly of widely different types, for the general type in the Indian States is quite different to that in British India and there are wide differences among the States themselves—these various Governments in India, however much they may differ in form, so long as they remain the Governments established by law and by constitutional right, so long it is necessary in the interests of the country as a whole, in the interests of the general stability of India as a whole, that those Governments should receive the support which they require to protect them against attempts to subvert or interfere with them." Some States have made marked advances during our time, and with beneficial results to their own and the country's interests, and there is no reason why the others cannot do likewise. There is a law of survival applying to States which will not or cannot adapt themselves to the spirit of the time, by being protected from wind and weather, do not contribute to the interests of the stability of themselves or the country as a whole. Even if the Indian press abstains completely from commenting on the affairs of States, there are newspapers outside India and there are writers and publishers of books who are not amenable to British Indian laws and who do much more to bring the Princes into contempt than Indian newspapers of the most virulent type. It does not enhance the reputation or dignity of the Indian rulers to say that one of them spent £20,000 not many years ago on the marriage of two pigeons; that another summoned all his economists to consider how taxation might be raised in order to feed all the ants in the State in the face of the increased price of rice, that intrigues are started in the palace by jealous women and members of the royal house mysteriously disappear, as if this was an everyday occurrence; that one has three hundred motorcars in his garage, forty-two of them Rolls-Royce; that his father bought up a large Calentia Store for £60,000 as he was annoyed at some delay in being served; and that yet another constructed a golden cow and crawled through it in public as a penance. All this is taken from a single book published in England. It was recently banned from being brought into India but several copies had arrived in India before the ban. Why does not the British Government which, after all, is the Paramount Power protect the Princes from the grossly vilifying caricatures that are published in England? Nothing that has been written in this country has done so much to injure the Princes in the eyes of the civilized world, as some of the things that have been written of them abroad. So long as Indian Princes remained in their own States or at least in the country, it did not matter what was written about them. But now they are going to Europe in increasing numbers, and exaggerated statements of the kind quoted above cannot but bring them and Indians as a nation into disrepute. As the Indian saying goes, you cannot shut the mouth of the world. The suppression of the small stream of crude Indian criticism is of no avail against the loud roar of calumny abroad.

To return to the Indian States' Protection Bill, Sir Harry Haig stated that the States represented that the present law was no real safeguard for them. We are not told

which of the States represented that the present law was no real safeguard for them. We are entitled to ask the question. The present law itself was passed in response, it is said, to a demand from the Princes. But I have heard it from the lips of one of the biggest of them that His Highness had not only not wanted it but was actually opposed to it. There were no doubts others also who did likewise. In the Legislative Assembly's proceedings, the debate on the States' (Protection) Bill is preceded by the discussion on the Cotton Industry Protection (Amendment) Bill. Before this Bill was drafted, careful enquiries were made by the Tariff Board as to whether the Industry deserved protection or not. Was any enquiry made as to whether the States which were dissatisfied with the existing law and asked for more drastic ones, deserved to get what they wanted? The progressive States are most unlikely to seek protection at the hands of the Indian Legislature. They are quite able to protect themselves and, as a matter of fact, no Indian newspaper ventures to criticise them. The States which demand protection are the badly administered States. In the case of many of them timely criticism, even if a little violent, would help them to pull themselves up before they are confronted with a Commission of Enquiry. In the eleven years since the Act of 1922 has been in force, there have been more cases of States which had to be sharply called to order by the Paramount Power than in any corresponding period previously. I need not mention names as they are familiar to all. The present laws designed to protect the States have landed several of them in humiliation and disaster. The latest case is not without a comic side to it. The ruler left his State and sought and found medical advice and spiritual solace in Pondicherry, of all places, for his maladies. In vain, the Viceroy entreated him to return to his State. The ruler has started a "fast unto death," of the progress of which the country is kept duly informed from time to time. But he refuses to come. The Government of India may in the near future have to enter into extradition treaties with neighbouring foreign States to get truant Princes back to their States, if the present Bill becomes law. That Indian States, (with notable exceptions) have tended to become more autocratically governed than before the War, is a fact which he who runs may read. The reasons for this are many and complex. In Mr. Lloyd George's "War Memoirs" the ex-Premier casually mentioned that when he was Minister of Munitions and a new gun called Stoke's Gun was rejected by the War Office, he was enabled to demonstrate its value by experiments carried out with a sum of £20,000 which he had received 'from one of the Indian Maharajas to be expended by me on whatever war purpose seemed to me most useful for the Empire.' (P. 619 Vol. II). It is not stated whether the Government of India were aware and approved of this private transaction with a British Minister. I refer to it as an authenticated instance of the tendency to which I referred, of rulers to become more autocratic and irresponsible since the War. One of the most marked features of autocracy is its impatience of criticism. The Government of India passed a Press Act in 1922 to humour the Princes. It was practically thrust upon them as shown by the fact that the Act has practically remained a dead letter—there have been only three prosecutions under it.

Sir Harry Haig in his speech in introducing the present Bill gave some reasons for the little use that has been made of the Act, which must strike people who are better informed in these matters, as far fetched. These are that prosecution is a slow process; it gives added publicity to the allegations complained of; there is nothing to prevent the publisher or the writer from indulging in his offence during the pendency of the prosecution; and finally when a conviction is obtained, there is no assurance that the person convicted is the real offender. These are incidental to every system which has a judicial basis. "Off with his head, so much for Buckingham" represents a more expeditious method. After all, justice is not more expeditious in Indian States than in British India. In any case, the Home department is responsible for the speedy administration of justice, and the Press should not be made to suffer for the faults of that Department. Are there enough judges to cope with the work of the Courts? Delayed justice is a greater hardship to the people and the journalists, than to Princes, and we shall all be grateful to the Home Member if he can devise suitable measures to speed it up.

The reasoning of the Home Member would justify the abolition of all Courts of Justice in the land and their replacement by Star Chambers whose proceedings are swift and secret. The greatest benefit conferred by British rule, Ranade thought, was the substitution of the Rule of Law for the personal rule of Hindu and Muslim sovereigns. We have declined during recent years from the rule of law to the rule of ordinance, and if the Home Member's reasoning reflects the official mind,

we may find ourselves once again back to the personal rule of Indian rulers. British India instead of helping to advance the States will have itself retrograded to the States' system. It will be one more proof that benefits which we have not secured by our own exertions have no permanence and are enjoyed only on sufferance. "The Lord gave, the Lord has taken away, blessed be the name of the Lord".

I am not an undiscriminating believer in what is called the freedom of the Press. Writing is, in the words of a great writer, a noble, a difficult art. It is also unfortunately a much neglected art. But there is this to be said, that the writer who flings about words without thought of their relevance, justice and truth to fact, although he may make a splash for a short while, seldom leaves a permanent impression or opinion. Readers soon learn to appraise his words at their true value. Sunlight and open air are great destroyers of noxious life, and the abuses of freedom of the Press carry with them their own corrective. Far more formidable and poisonous in their effect are propaganda which "without utterance save the shrug or sigh, deal round to happy fools their speechless obloquy". I have often suggested to influential friends that each State should have a semi-official organ to correct mis-representation and keep the public acquainted with objects and results of administrative measures. But though they all agreed that it would be a good thing, none has been able to give effect to the suggestion. The fact is, and it is one which fair-minded commentators ought to keep in view, that the States are not always in a position to explain or justify publicly the purpose or reason of all their measures. A newspaper organ of their own is, therefore, likely to be an embarrassment rather than a help to them. In these circumstances, His Highness the Maharaja of Bikaner has set an example which other Princes may copy. His Highness has publicly contradicted an allegation in some unnamed newspaper that he had written a letter to the Viceroy suggesting some of the recent repressive measures. The Maharaja unequivocally denies that he wrote such a letter. Some one referred to blackmailing. It is a despicable offence, but no special law is needed to bring offenders to book. His Majesty the King the other day prosecuted a man in the ordinary courts for trying to blackmail him, and I do not see why the Princes should not follow his august example.

Sir Harry Haig indicated in another surprising passage of his speech that the duty of setting things right in the States, was the exclusive monopoly of the Paramount Power. "It may sometimes be said," he observed, "that there may be in certain States misgovernment of a scandalous and intolerable kind which justifies and demands interference from outside. Well, Sir, if those conditions arise, my answer is that we cannot allow such interference to be organised by irresponsible people in British India. There is a constitutional way of effecting that interference; it can be done by the action of the Paramount Power, recognised by constitutional practice." As an argument against organising jathas, this has some force. But even the jathas may be the only means of awaking the Paramount Power to its duty to the people of the States. Modern Governments assume that all is well in their administration, unless people agitate and otherwise make it impossible for governments to rest in this assumption. Newspaper criticism is the mildest form of agitation and in this country with its vast mass of illiteracy, which is much greater in most of the States, it is also the most harmless kind of agitation. We recognise that the Paramount Power is the sole authority to call rulers of States to account in the last resort, but criticism in the Press and on platforms may often obviate the necessity of its intervention after maladministration has reached the magnitude of a scandal.

The States' Protection Bill contains provisions not only for controlling the Press, but also to punish conspiracy to overawe the administration by a State by criminal force or show of it. To this provision, no reasonable person can object provided that the law is carefully defined and limited to attempts of this objectionable character. The provisions relating to jathas, which are meant as peaceful demonstrations, seem to be indefensible. The risk of such demonstrations breaking out in violence, should be averted by suitable police vigilance in the States rather than in British India. The general power which Government propose to take to prevent agitation within British India with the object of interference with the administration of the States, is replete with serious possibilities. "Interference" is a vague term which may cover trivial matters, and so is "causing disturbance of public tranquility in a State." The Bill supports to place the States in possession of the same protection as the Government of British India enjoys. But this ignores an important difference. The administration of British India is carried on in the name of a demo-

cracy. Although as a rule it is content to leave matters to men on the spot, it may wake up some day and call its agents to account. The possibility of this is more remote in the case of the States, and therefore, the incidence of the same laws may be different in British India and the States. These, however, are points on which members of the Conference will speak with more knowledge and experience than myself. I have, therefore, dwelt largely on the Bill as it affects journalism of which I have some experience. I have had to prepare this address in a very short time, and that is another reason why I could not do more than making a passing reference to other matters.

R e s o l u t i o n s

After the passing of a condolence resolution on the death of Mr. *V. J. Patel* and resolutions sympathising with the earthquake sufferers in Bihar and Nepal, and appealing to Princes and people to render aid, Mr. *P. L. Chudgar* (Western India States) moved the following resolution :

"This Conference is of the opinion that the Indian States' (Protection) Bill now before the Assembly (a) is absolutely unnecessary and uncalled for; (b) is further an unwarranted encroachment on the liberty of the Press; (c) is calculated to perpetuate autocracy and misrule in Indian States; (d) deprives the people of the States of their only available remedy to ventilate grievances; (e) is calculated to defeat its own purpose; (f) is contrary to the spirit of Federation, and the Conference fears that the Bill may drive disaffection underground, and tend to secret sedition.

"In particular, this Conference strongly protests against Sections 4 and 6, which must be omitted, and also against the inclusion of the following words in Section 5 which too should be dropped : Interference with the administration of the said State, disturbance of public tranquillity or an affray".

Mr. *Chudgar* observed that in India, with the exception of five or six States, in all 120 States had unlimited monarchies. The British Government wanted to protect them while elsewhere they were getting out of date. Economically speaking, British India with the population of over twenty-five crores maintained one Viceroy, while the Indian States, with a population consisting of eight crores, was forced to maintain one-hundred-and-twenty Viceroys (meaning Rulers), some of whom were more expensive than the British Viceroy (shame). This position, said the speaker, Sir Harry Haig wanted to perpetuate with his Indian States Protection Bill.

Continuing, Mr. *Chudgar* observed that the so-called treaties with Indian States were made with Rulers as representatives of the people. Moreover, the treaties were ante-dated. It was the inherent right, said the speaker, to correct misgovernment and in the last resort to change the Government (cheers). In 1810, the British Government wanted to paint the whole of India red, but now when it suited them they wanted to keep the Indian States despite their faults. The States' people said that they had no objection to stopping criminal conspiracies against States, but Sections 4 and 6 in the Bill would in effect stifle legitimate criticism. Finally, he said that no amount of protection would help in the perpetuation of autocracy which was ante-dated and must sooner or later disappear.

Mr. *W. S. Pathak* (Rajputana States) said that although slavery had disappeared in other countries of the world, it still existed in certain Rajputana States. The States must end misgovernment or end themselves.

Mr. *Anantram* (Central India States) appealed to the Assembly members to see that if no justice was done to the States' people, at least no injustice was done to them.

Mr. *Mahomed Talib Hussain* (Punjab States) described several cases which resulted in the passing of crushing sentences against accused. All that was done in the knowledge that the British Government, instead of saving the States' people, were helping Rulers, who did not need or deserve help.

Chando Bibi (Delhi) attributed all the evils in Indian States to the British Government.

Mr. *G. S. Pathak* said that if peaceful agitation was stifled the struggle would go underground and grow dangerous.

The resolution was unanimously passed.

On the motion of Mr. *M. S. Trivedi* (Western India States), a resolution was passed appealing to non-official members of the Assembly to throw out the Bill or at least amend it,

The President, Mr. Natarajan, advised the audience to persevere with moderation and with reason and to enlist the sympathy of women's organisations. They should also form a grievances sub-committee whose members should constitutionally seek the redress of their grievances from the Government of India, since Sir Harry Haig in the Assembly had promised to remove all legitimate grievances. They must never make a mis-statement and should use as mild and gentle words as possible, for harsh words did not achieve their object.

The Cutch State Peoples' Conference

The fourth session of the Cutch State Peoples' Conference met at Bhuj on the 28th April 1934. Mr. Mulraj Karsandas presided over the Conference. In the course of his address he said :—

Every Cutchi to-day is alive to the necessity of a Government constituted in accordance with the most accepted canons of political theory in regard to its acceptance of popular will. Our first duty therefore is to formulate our demands with a united mind and place it before His Highness. Cutch can not any further remain behind other parts of India either politically or economically. I must draw up ahead with the Provinces of British India and with the most enlightened of Indian States. Nay, it should be the ambition of every Cutchi that Cutch should go far ahead and be an example to other States ; and, in this, I am not asking for much, because, we are not like British India suffering under the handicap of an alien Government utterly indifferent to the conditions of the people. But, Cutch is governed by a Prince who is considered as the head of a family constituted of his subjects. His Highness' love for his subjects is reputed to be not less than his own children and, if this report is correct, I believe it is, can you not except from His Highness a better standard and a more rapid pace in the matter of political and economic reconstruction ?

We have already had three sessions of our Parishad before and each has succeeded in doing something valuable towards redress of our various grievances. The Corie exchange which had been artificially appreciated to less than two cories per rupee is now well above four cories. Although this has gone a great way in increasing the purchasing power of the agriculturist, the fact still remains that exchange and currency fluctuations must be subject to accepted scientific standards. It is to my mind an imperative necessity that a committee of expert Economists should be appointed and currency regulated in accordance with the findings of these experts.

The way in which the finances of the State are administered are by no means satisfactory. The top heavy emoluments paid to State officers, frequent foreign travels of the Ruler and uncontrolled expenditure of the Privy purse which are growing quite out of proportion to the present revenues of the State constitute a source of heavy burden on the population.

People must be admitted to a large share in the administration through proper representatives. "No taxation without representation" is a long accepted canon of civilised government and one of the most vital principles which give life to popular governments. The question has already been taken up in our own State and His Highness the Maharao at the time of his assuming his full powers about 50 years ago made a public declaration which promised Responsible Government to the people. Again, in 1928, His Highness assured the representative of the Parishad his intention of putting that declaration immediately into practice. But, it is a matter of disappointment, that the pledge still remains unfulfilled. I hope and trust that His Highness the Maharao will view the situation dispassionately and with far-sighted vision and concede to us a full fledged administration responsible to the people of the State.

The Tariff policy of the State also require drastic remodelling so that Cutch may soon take her place as an industrial province. The imports of foreign sugar and piecegoods and other articles of daily necessity increase day by day thus subjecting the national wealth to a perpetual drain. The balance of trade is heavily against Cutch and it is only the remittances of Cutchis from abroad that enables the State to meet the adverse trade balance. This situation is unsound in economics and is likely to lead to disasters.

Owing to the prejudices of orthodoxy and the restrictions imposed by the State authorities on the use of machinery, Cutch has no factories to manufacture even the barest necessities of life. The people of the State are entirely dependent upon imports from other places even for the barest necessities. On the other hand, Cutch is richly endowed by Nature and the soil produces a fine variety of cotton. Besides, it has mineral beds containing valuable deposits. Still, there is not a single mill to manufacture cloth nor a single mine to exploit the mineral wealth of the State, with the result that all raw products are exported and manufactured articles have to be imported. Some of the Cutchis have proved themselves to be very effective and successful textile millowners in other parts; but, restrictions imposed by the State prevent them from extending their activities into the State. In this respect, the attitude of His Highness requires a drastic change both in the interests of capital and labour and also of the general prosperity of the State.

The importance of industries as a main source of wealth is very well recognised all over the world and each country is trying to build up its own industries with such maximum assistance as tariffs, bounties and quota restrictions and other devices that are suggested by planned National economic campaigns. Is it too much to hope that His Highness' government will fall in line with the rest of the world and inaugurate a vigorous industrial policy calculated to benefit the entire State. I cannot conclude this subject without a reference to a very important issue which is very much in the minds of Cutchi merchants to-day. I refer to the Padana salt works. It is known that certain foreigners as well as interested persons are trying to get a sole monopoly to mine salt from this centre. It is hardly fair that in the exploitation of the mineral wealth, the claims of the State citizens should be overlooked; nor could there be a monopoly fettering free commercial activity. Further, there are dangers and complications if alien vested interests are allowed to get a foot-hold in the State. Such industries should be personal concerns, financed, managed and controlled in the interests of the people of Cutch. Unless every method of precaution is taken to guard national interests, this kind of industrialism will do more harm than good to Cutch.

Now, I pass on to another subject which is also intimately connected with the prosperity of the State, I refer to the need for well-planned irrigation. The soil is getting drier and drier every day. Difficulties are experienced for a proper supply of water, both for drinking purposes and agricultural needs. Rainfall is meagre. The situation calls for an urgent irrigation programme and I will not be guilty of any exaggeration if I say that the question of irrigation is very vitally connected with the very existence of Cutch. Any delay in tackling this problem will have dangerous results.

Now, I come to education. The indifference with which the State has treated this important question deserves the severest condemnation. There are only 300 primary schools for a total population of five lakhs. The proportion of the literate is probably among the lowest in India and higher education is completely neglected. A progressive educational policy is the only means through which a nation can grow to its full stature, and it is the imperative duty of the State to see that its subjects are not denied all those benefits which enlightenment brings in its way; but, more than even to Government, I would appeal to the public-spirit of the citizens to take the matter up immediately on hand. My earnest appeal to all delegates and workers is that the first thing they should do after the close of the session is to go and start a school in every village, collect funds and establish more high schools and create scholarships for higher education, both in India and abroad.

Another charge against the State officials is that they are mostly outsiders with no living touch with the people whose affairs they administer. The need therefore is that in selecting officers of the State, big or small, sons of the soil must be given a preference over others.

The ideal of an all-India Federation in which the provinces of British India and the Indian States will form constituent parts with equality of interest and status is indeed an ideal rich in promise and full of scope for national growth. But the Federation, outlined in the White Paper as well as the other schemes of reforms contained in it, are a veritable snare. The responsible government promised in the Federation scheme is a hollow mockery. As at present designed, it will be the yoking together of twentieth century British India full of every progressive impulse with Indian States still administered on mediaeval lines. The result will be the entire weight of the States will be pitted against British India. As if to improve even on this brilliant scheme, the Government has already started introducing

Civilians into the various States as Prime Ministers or Diwans or officers holding key-position. The object of these changes is obviously to prepare the States to function effectively as a safeguard for British interests.

Such being the possibilities of the Federation adumbrated in the White Paper, I, for one, will not be sorry if the scheme is not allowed to see the light of day at all. The scheme devised to get representatives of the States to the Federal Legislature does not lay down that the representatives will be elected directly by the people; on the other hand, they will be mere nominees of Princes and as such entirely in the hands of the ruling caste. The Federation does not demand any guarantee that the State before entering Federation would have re-organised their administration so as to bring them abreast of the British Indian provinces. Against this menace, all progressive forces must unite and join hands. The Congress stands in the front rank in opposing this menace and it is the incumbent duty of every lover of progress and freedom to rally round the banner, which the Congress has hoisted.

We have already a forecast of the Federation that is to come in the Princes' Protection Bill which muzzles the Press in British India from ventilating even the legitimate grievances of the States' subjects. Conditions are so stringent in the States that no honest and outspoken Press can function inside their territories. The present legislation seeks to extend the immunity of the States so as to prevent even the Press in British India from functioning. Almost in the teeth of unanimous public opinion, the Bill has just been enacted.

While such in brief are the dangers which threaten us from the present scheme of Federation, there is one good thing it has done—and that is, to accelerate the reunion of British India and the Indian States to form a united Hindustan. Still now, by constitution, or by convention, the Congress had always kept State affairs beyond its purview; but, for that attitude of isolation, there is no longer any justification. The Congress must take the leadership of the Reform movements in the various States in obtaining an equal status with citizens of British India.

The subjects of Cutch cannot agree to join the Federation save on condition and I would suggest that these should form the minimum:—

1. The head of the State should be a constitutional Ruler owing nominal allegiance to the King Emperor and carrying on his administration in a manner that will ensure full responsibility to the people of the States.
2. The Rule of Law should prevail in States and the Judiciary be made independent and linked to the Federal Supreme Court.
3. There must be a Declaration of Rights of the people and it must be embodied in the Federal constitution and these rights must be guaranteed by the Federal Supreme Court.
4. The States should be represented on the Federation only through directly elected representatives of the people and not by nominees of Princes. In the absence of these conditions the entry of Cutch into the Federation can only be detrimental to both Cutch and British India alike.

Resolutions

The first two resolutions passed by the Conference expressed their loyalty to the person and throne of the Maharao of Cutch and their condolence at the demise of the grandson of His Highness. The third resolution demanded the abolition of forced labour in the State in any form. Mr. Surji, in moving the resolution, characterised forced labour as illegal and hoped that effective steps would be taken to punish offenders. The Conference, by another resolution, urged the establishment of the constitutional government in the State, the separation of the judiciary and executive functions, the recognition of the fundamental rights, and representation of the people on the Federal Council as a primary condition before joining the All-India Federation now being proposed. In another resolution, the Conference demanded the adequate representation of the people on the board of the municipality, Village Panchayats and other non-official bodies. The Conference reminded His Highness of his frequent promises in this direction and appointed a committee of five persons to frame a constitution on the basis of the popular Government and to report within six months to the Working Committee for consideration at the special session of the Conference to be held for the purpose. All the resolutions were carried unanimously amidst loud cheers. The Conference then adjourned.

The Presidents of the Cutch Subjects' Conference, the Cutch Merchants' Conference and other visitors were treated as State guests by the Maharao of Cutch.

**ECONOMIC, CO-OPERATIVE TRADE
AND
Commercial Development of India**

January—June 1934

The Economic Survey of India

Details of British Experts' Scheme

The report submitted to the Government of India by *Dr. Bowley* and *Mr. D. H. Robertson* was released for publication from New Delhi on the 10th April 1934 by the Director of Public Information, Home Department, Government of India, who in forwarding the Note to the Press stated:—

"This Bureau has not previously issued copies of this report to any journalist and was not responsible for the appearance in to-day's newspapers of the summary of the contents of this report".

The British experts in the course of their report suggest that out of thirty lakhs estimated for the various investigations twenty-two lakhs are required for rural survey, three lakhs for urban survey, two for urban census and two for the census of production. It is desired, as part of the survey of Indian income and resources, to obtain information of the income (in cash or kind) derived from land and its distribution among owners, occupiers, labourers, etc., together with other items of village income. It is impracticable to make direct investigations into the circumstances of each of the half million villages in British India in any reasonably short time even if the expense could be met or a sufficient number of investigators were found. It is, therefore, necessary to proceed by the 'sampling'. The adequacy of the whole method of sampling could be decided by computing from the country such totals or averages as are already known, for example, the total male population, land revenue, etc. Before the selection of villages it would be best to exclude tea plantation of Bengal, coal-mining areas affected by the recent earthquake, etc. The investigator should live in each selected village for twelve months with some intermittence or vacation in times of agricultural idleness. In many cases villages could be grouped in threes or fours. A qualified statistician should be in charge of each province and the whole survey should be controlled by the Director of Statistics. Investigators would need a preliminary period of training in suitable centres, university or other, where the nature of the enquiry, the methods of investigation and the details in the schedules should be explained in detail and at the same time their suitability for work should be tested. The help of village school-masters could be obtained by the investigator for a small payment and they could be of considerable use in some places. The report suggests the appointment of seven provincial superintendents in the seven provinces, 470 superior investigators and 1,180 assistant investigators.

CENSUS OF PRODUCTION

Rupees two lakhs are estimated for the census of production to be conducted by the Director of Statistics and the executive arrangements are to be made through the Department of Industries and Labour. The Census of production would be imposed as in Great Britain by a special Act of the Central Legislature making communication of facts demanded compulsory on the part of factories, etc. The average number of operatives employed in factories in British India (excluding Burma) in 1932 was 1,330,000 though this forms only a small proportion of persons engaged in industry. This group is of special importance in relation to export. For this and other reasons quite properly special attention has been given and should continue to be given to its study. It is to be remembered however, that the progress of factory industry is to some extent at the expense of cottage industry and it is of the greatest importance to bring the two in statistical relation to each other. There seems to be no possibility at present of making any exact estimates. Execution of the proposed rural and urban surveys will provide some data for accurate estimates of crops of cotton, sugar and other agricultural products which are manufactured both in houses etc. and in factories capable of giving more complete information. There is also the possibility of tabulating the census material relating to occupation in such a way as to show whole numbers engaged in such occupations so that when used in conjunction with factory statistics some idea of the relative importance of the

two organisations of industry could be obtained. The 1931 census of population, in fact, shows that the numbers engaged in industry in British India as a whole are very much greater than those accounted for by factory statistics. While there

is no immediate possibility of comparing numbers in or the output of factories with those in similar cottage industries, it may be possible to obtain some annual data which would show their relative growth or decrease when the whole of the survey now suggested is complete.

ACCURACY OF RETURNS

The project of the census of production was discussed with Chambers of Commerce and with individuals in Calcutta, Bombay and elsewhere. Opinion appeared to be unanimous that a census was desirable so long as it was general and compulsory and identification of individual firms was impossible in the reports on it. It was also expressed that no opposition would in general be made to filing in schedules, even those relating to wages, though it was thought that some firms would object to giving figures which could be used to show buying and selling prices or in sugar mills the percentage of extraction. More doubt was expressed about the probable accuracy of returns in some classes of factories among other reasons because of fear that income-tax officers would have access to them. The Calcutta Chamber of Commerce expressed willingness to co-operate in the effort to secure accuracy. The experts observe: "It seems impossible for us to form an opinion on the question how much effort should be necessary to overcome opposition and verify doubtful figures. No doubt when the census is periodically repeated, these difficulties will be less. Nor can we form more than a guess about expense. Since the number of enterprises is not great, we do not think it would be at all prohibitive but, if as seems natural, the work of enforcement is entrusted to factory inspection staff the latter will undoubtedly need strengthening for the purpose."

IMPORTANCE OF RURAL SURVEY

The problems of relations of landlord and tenant, relations of creditor and debtor and relations of producer and middlemen must obviously continue to form the subject of highly specialised studies. But it is hoped that the rural survey which the experts propose may help to reveal the broad background in which they are set. By throwing more light on the cultivator's standard of life it may help to guide the policy in the areas in which the agrarian problem exists. By throwing more light on various elements in the total of agricultural production, it may be of some help towards disentangling the various elements in the total of agricultural debt and determining how much is of the nature of ordinary advances of working capital sometimes necessarily prolonged beyond a single season—and how much is really unproductive. By throwing more light on the relation between wholesale market prices and the prices actually received by cultivators it may help to afford evidence as to where there is most need for improvements in marketing organisation and especially as to where there is real prospect of co-operative enterprise in marketing being able to compete with the middle man in cheapness and efficiency and where there is not.

ECONOMIC PLANNING

Concluding, the experts remark, the phrase, "Economic planning" is used in such an infinite variety of senses that they are reluctant even to mention it in connection with enquiries they propose for fear of being misunderstood. It is possible for Government to do as much harm by guiding production into unsuitable channels as they have done good by drawing idle resources of land, labour and capital and organisation into use. Intervention in the provision of general productive equipment such as irrigation works, roads and hydro-electric power is free from some of the risks of intervention in particular branches of production. Water can nourish many kinds of crops. Roads can carry many kinds of products to the market. Power can turn many kinds of machinery. Similarly health and education can be used for many different ends. The State by providing these things assumes no direct responsibility for the use that is made of them. But in so far as it does decide to intervene in the fortunes of particular branches of production it would seem that an examination of the situation by such economic staff as they have proposed would be highly desirable and a systematised knowledge both of activity and of net value of that output so far as it could be revealed by census of production and ancillary enquiries, is required as a background for its activities.

Economic Prospects of India

Sir George Schuster's Review

Speaking at a dinner at the Willingdon Sports Club, Bombay, on the 4th. May 1934, given by Sir Homi Mehta, Sir George Schuster reviewed his financial policy and elaborately dealt with the steps necessary and which the Government proposed to take to improve the economic prospects for the future.

Sir George Schuster at the outset said that he did not wish to dwell too much on the past as the present and future were of greater interest. Members of the Government of India, he said, had been accused always of working on an "individual five-year plan" and having no interest beyond the period of their office. He asserted that he was not guilty of that charge, for he had always felt that a Finance Member must be judged by the situation which he left behind him.

As to the past, Sir George referred briefly to the well-known difficulties which had made it necessary to fight a defensive campaign during most of his term of office. That campaign he regarded as now won.

Sir George was proud that both in England and India they had now come back to the three and one half per cent issues. He was proud again that every loan issued in his time now stood at a good premium over its issue price. The keynote of the policy had been to follow the old-fashioned traditions of sound finance and despite experiments being tried in many countries he believed the final results would show the old-fashioned methods were the best. He quoted the recent reports from the U. S. A. and the present policy of the French Government as illustrating this.

But sound finance, Sir George Schuster pointed out, was not everything. They had called in the beginning of April a conference at Delhi. This was very significant. It was the first conference of its kind where the whole economic field had been covered and which had led to most valuable results. The Government of India resolution setting out the decisions of this conference, said Sir George Schuster, would be published.

RURAL INDEBTEDNESS

Reviewing the main points in the decisions of the Provincial Economic Conference, Sir George Schuster said that the situation regarding agricultural indebtedness had been very fully discussed and Provincial Governments were taking varying actions according to their varying needs. In future all would keep in touch with each other's results and the Government of India would stand by to help. Sir George Schuster mentioned one important decision of the Government of India, namely, the order to work out plans as quickly as possible for the agricultural credit department of the Reserve Bank. Mr. Darling, late Registrar of Co-operative Societies, Punjab and a great authority on all questions of agricultural credit, had been engaged on special duty and would start his work in June.

MARKETING

But measures to deal with indebtedness in Sir George Schuster's opinion, were in any case more than palliatives and what mattered was the improvement of economic prospects for the future. On this question the main conclusion of the Conference was that the most important practical need at present was the development of a proper system of marketing India's agricultural produce, both crops and animal products, marketing being understood in its widest sense. This involved steps to improve the demand both internal and external for each commodity, steps to ensure that the agriculturist gets as large a share as possible of the value of what he produces, steps to prevent the agriculturist suffering from seasonal slumps in prices just at a moment when he has to market his crops and steps for financing his operations cheaply. It involved a concerted policy for improving the grading, sorting and bulking the staple products, for developing markets for perishable commodities, for exploring openings in both the internal and external markets and ensuring that information as to the openings is available to agriculturists so that India's production as a whole might be adjusted to the demand. Particular attention must be devoted not merely to the crops but to products of animal husbandry.

This was a side matter, the vast importance of which is often ignored. There was one special opportunity which deserved mention and that was the opportunity provided by the Ottawa Conference which gave preferences to India in the British market. They had already obtained a substantial benefit from those in the case of special crops like linseed, but they needed a concerted plan to get the full available benefit for all crops. The Government of India had decided to make a big drive on the question of marketing and a first class marketing expert was appointed (Mr. Living-stone, formerly Marketing Expert to the British Board of Agriculture) and he had just arrived. The staff at headquarters would also include experts on animal husbandry products. It was hoped that provincial marketing officers would also be appointed at once and that proper marketing surveys be undertaken for all important groups of products. The Government of India would give financial support to the whole scheme. A Dairy Industry Institute was also to be set up.

Sir George Schuster stressed the necessity for a simultaneous attempt to regulate crop production for the whole of India on a definite plan. India, he said, so far had been fortunate in escaping the problems of accumulating huge stocks and of facing drastic readjustments, like Java, for example, which had reduced its sugar production from three million to half a million tons owing to the failure of the export markets. In India also they were approaching a similar problem regarding rice and wheat. A Conference was to be called in a week of all provincial Directors of Agriculture and Revenue Officers to discuss this plan and a special Wheat Conference was to be held next week. With a view to helping the development of the external markets, a scheme for appointing Trade Commissioners was also to be revived simultaneously. In accordance with the recommendations of the Conference the Government had decided to set up a Central Bureau of Industrial Intelligence which would work in close connection with the Indian Stores Department.

PUBLIC WORKS

Dealing with an important line of action which might help to stimulate general revival reacting both on agriculture and industry—capital expenditure on public works of economic value—Sir George Schuster said that the whole field was reviewed at the Conference and the Government of India had called on the Provincial Governments to submit forecasts of suitable projects which could be undertaken during the next few years. The Central Government was carefully exploring the possibilities though he was bound to say that so far as concerns railway construction—which had always been the venue of capital expenditure for Central Government—there did not appear to be any important projects which were badly needed. Therefore, for the type of projects which they had in view the main opportunity lay with the Provincial Governments and Government of India were awaiting their proposals.

ECONOMIC STATISTICS

There was another important item on the Government of India's economic programme on which they had been able to take final decisions. This was the organisation of economic statistics and the economic survey of India. They had the recommendations of the Robertson-Bowley Report to work upon and hoped that the Government of India would soon be able to announce their decisions. Sir George Schuster emphasised the importance of having accurate statistical records of the condition of the progress in the country if any constructive economic planning was to be undertaken either now or in the future. He had so far dealt with the immediate programme for India, but it was necessary to view that programme in a wider setting. The world to-day was undergoing an economic revolution and that must have reactions on India. There were two movements at work which were closely connected. On the one side the process of production had been so enormously improved both in industry and agriculture that far less human labour was required to turn out goods necessary for world's consumption. This had created a state of affairs which had the appearance of overproduction but which really in essence was much more truly to be regarded as a case of under-consumption due to failure in the distribution of the purchasing power.

On the other side, partly as a result of this maladjustment between consumption and production and partly from other causes which had come as a sequel to the War, there was a strong tendency towards economic nationalism because in the

struggle to find a market for increased produce every country wished to secure at least its own market for itself. At first sight this economic nationalism looked like an unmixed evil but further reflection indicated that it was not only necessary but good—if it was used in the increasing production in order that each country may plan for itself a new order in which the purchasing power can be better distributed so that, instead of having great masses of the population unemployed, those that were employed might have more leisure.

DEVELOPING HOME MARKET

"India, of course," continued the retiring Finance Member, "is not experiencing these problems in the same form as the highly industrialised countries like England and U. S. A. In India we are much further off than most countries from any danger of real over-production because there is enormous margin for increase in home consumption if the masses are to attain a reasonable standard of living. But India's foreign trade is being very directly affected by those developments and the need for concentrating on the improvement of the standard of living in India and on the developing of the home market is intensified because the growing economic nationalism in other countries must mean some reduction in India's export markets. If I state the problem in this way I do not wish to be understood that I am one of those who think India's goal ought to be complete economic self-sufficiency. That object could only be attained at a great sacrifice in the general standard of living. But the course of world development does indicate the need for a policy for India which must be something different from the past policy. We have to take into account not only the increasing restriction, but also the increasing uncertainty of the external markets. On this appreciation, there ought to be four cardinal features in Indian policy. First, all possible energy should be devoted to developing internal market and improving standard of living in India.

"Secondly, every possible opportunity should be taken to take advantage of those external markets in which India's position is secure. Under this head, I believe India has enormous opportunity from her position as a member of the British Commonwealth of Nations. I am convinced that the Ottawa Agreement ought to be extended much further in the direction of creating real economic unity between the nations of the British Commonwealth. The third feature must be to obtain the maximum security in the markets of other countries by special trade agreements and, lastly, the fourth must be to improve India's competitive power in all markets by increasing the efficiency of production and the grade and quality of the produce.

BULLETINS FOR PUBLIC INFORMATION

"There is one other point which I must mention. If the Government is to carry through plans of this kind, not only must there be close co-operation between the Central and Provincial Governments, but there must also be support from and common action by, the public. For this purpose, it is most important that there should be accurate public knowledge of economic position. I hope that early steps will be taken to improve the whole of our statistical organisation. We have been recently working to produce monthly bulletins, and statistics and information, which I hope will be of great value. Four monthly numbers to the end of December 1933 have been completed and circulated to the Chambers of Commerce in order that we may know how far this meets their needs. We hope very soon to work this up so that the bulletin for each month will be available about eight weeks after the close of the month. This had been a pet project of mine and I regret that it has not got into smooth working before I leave".

Sir George Schuster finally referred to his statement in the Assembly that the Government of India were fully alive to the concern felt in Bombay as to the diversion of trade from Bombay and that Government propose to enquire as to what steps were necessary to guard against the danger and said: "We have been very actively engaged on this matter since then and, although I cannot make any definite statement now, I can assure you that we were by no means neglecting our undertaking and that we think developments may be such as to allay some of the apprehensions which have been felt in this matter.

"I shall leave India with the greatest regret. India has treated me very well. I hope my friendship with Indians and with India may last through my life and if ever I can serve India or Indians in future I will do so".

Provincial Economic Conference

Government of India's Resolution

The Government of India, in a resolution on the Provincial Economic Conference held in New Delhi in the first week of April, announced far-reaching proposals initiating a co-ordinated policy for economic improvement.

The resolution said : The object of the Government of India in proposing the conference was not in any way to trench on the functions of the Local Governments in matters which, under the existing constitution, are under their control, but to see whether, by mutual consultation, any common plan of action could be arrived at and whether the Central Government could assist either by providing a clearing house for information or arranging for separate discussions or possibly by helping to finance activities which would lead to productive results.

The first subject which came before the Conference was that of agricultural indebtedness. Even before the present economic depression, the extent of agricultural indebtedness was recognised as one of the greatest problems with which India was confronted and it has obviously acquired a new intensity and significance as a result of the fall in prices. This has been recognised by all Provincial Governments and in several provinces, legislation has been passed or is under consideration dealing with the various aspects of the problem. The primary object of the conference in this matter was to provide an opportunity for an exchange of ideas between the provinces and to obtain impressions in the light of the most recent information and experience, both as to prevailing conditions and as to the practical results of such measures as have been already adopted. These discussions proved to be of great value, but it must be emphasised that they are to be regarded only as a preliminary review conducted for the purpose of elucidating the lines for further enquiry and action.

AGRICULTURAL INDEBTEDNESS

The problem was considered in all its aspects : First, the problem of existing indebtedness and the possibility of scaling down debts ; secondly, the problem of finance in connection with such schemes ; and, thirdly, the problem of providing suitable credit machinery for the future and restricting usurious practices. In connection with the second and third problems, consideration was given to the possibility of establishing land mortgage banks and to the functions of the Agricultural Credit Department of the Reserve Bank. These matters are referred to the succeeding paragraphs, but otherwise in view of the nature of the discussions, no attempt is made in this resolution to formulate final or precise conclusions.

The general view of the Conference was that the diversity of the conditions of the agricultural classes in India was so great, both in respect of land tenures and general economic status, that any legislative measures to afford relief must be primarily provincial, but that, at the same time, it was highly desirable that the various Local Governments should know what other Local Governments were doing to tackle the situation and that there should be a regular exchange of information on this matter. The Government of India are considering the procedure most likely to effect this purpose in an expeditious manner.

The Conference examined the possibility of developing land mortgage banks in connection with the aspects of the problems noted above. Discussions made it clear that the essential problem in connection with such institutions in India lies in the realisation of their security land. Restrictions on the transferability of land or rights over land and consequent expense, uncertainty and delay in obtaining and executing decrees constitute a heap of obstacles to the development of such banks. Conditions in this respect vary greatly from province to province and the representatives of the several provinces were quite definite in their opinion that the dangers of tampering with the land laws and increasing the facilities for the alienation of land were so great as to outweigh the advantages for improving the character of the security on which credit could be obtained. Whatever the possibilities of future

development may be, it is clear that in view of these opinions and differences in conditions, responsibility for policy as regards establishing land mortgage banks must rest with the provincial Governments. The Government of India will be ever ready to assist by giving their technical advice in regard to provincial schemes or otherwise and will see that the Reserve Bank is organised to do so in the future, but it is for the provincial Governments to face the fundamental issue and to decide, if they desire to have such institutions, how far it is possible to provide them with a realisable security as a basis for their loans.

THE AGRICULTURAL CREDIT DEPT. OF RESERVE BANK

In discussing the improvement of credit facilities for agricultural operations, the functions of the Agricultural Credit Dept. of the Reserve Bank came before the conference. This dept. will of course be in contact with all agencies operating for agricultural credit joint stock banks, indigenous bankers or moneylenders and co-operative credit societies. Discussions at the conference concentrated attention on the last mentioned agency. They disclosed the fact that in most provinces, the co-operative movement was in difficulties and that in several cases, the difficulties gave cause for anxiety. Whatever may be the reasons for this position, the practical fact which for the present purpose requires emphasis is that if the Agricultural Credit Dept. of the Reserve Bank is to function usefully in relation to agricultural requirements, it will have to avail itself to a considerable extent of the provincial co-operative movement. In order to put the board of the bank into a position to make early decisions for the inauguration of this department, the Government of India have decided to appoint an expert officer on special duty to examine and report what would be the most suitable organisation and in what manner, it may most effectively work in co-operation with co-operative banks and other agencies for advancing credit to agriculturists and land owners. The Government of India have, for this special work, appointed *Mr. M. L. Darling I. C. S.* an officer who has had prolonged practical experience of co-operative agricultural credit in the Punjab and who had also studied the co-operative movement in other countries. Mr. Darling will take up his duties early in June.

On the whole question of agricultural indebtedness, the general conclusion of the Conference was that while measures for dealing with debts in the form of special legislation or otherwise varying with the need and conditions of each province might be necessary, such measures were essentially temporary expedients and palliatives and that in the absence of changes either in the mental outlook of the agriculturists or in his economic opportunities, they were likely to result merely in fresh debts being incurred from the original creditors so that the position would speedily revert to its original state. Such measures, therefore, if they are to serve a really useful purpose, must be supplemented by constructive action of a more permanent character, embodying a policy of economic and social development. This obviously raised very wide issues. It was not possible within the time available fully to explore all these aspect of the question (especially such important points as the part that education and rural betterment schemes should play in modifying the economic outlook of the ryot), but the discussions served to clear the ground and indicate possible methods by which the various problems could be more fully examined. There was no formal agenda and the Provincial Governments were invited to bring forward for discussion any matter which they considered relevant and important. The following paragraphs deal with certain lines of action in the economic field on which definite conclusions were reached.

MARKETING

The discussion of this subject resulted in the general agreement that of all practicable measures for improving the economic conditions, an intensive programme to develop marketing facilities for the agricultural products (both crops and animal produce) offers the best immediate prospects of substantial results. The Government of India consider that the discussions at the conference have amply demonstrated the necessity for vigorous action, not merely with a view to promoting the production of particular commodities, but even more with a view to safeguarding India's future in the face of intensified outside competition which is being felt as a result of modern scientific and economic developments in other competing countries. The discussions centred on the following main problems: (a) How can demand, both internal and external for each individual commodity be promoted ? (b) How can the gap between prices paid by the consumer and those received by

the producer be reduced and the agriculturists' share of the final price increased ? (c) How can the agriculturists be protected from those seasonal slumps in the prices of commodities which are occasioned by the fact that whilst consumption is spread more or less evenly over the year, the harvesting and marketing are concentrated in a relatively short period ? (d) How can the agriculturist be most cheaply and safely financed (i) for the production and (ii) for the marketing of his produce ?

The action to be taken to deal with the above problems includes propaganda and supply of information in external markets regarding Indian products, the grading, sorting and bulking of the main staple products, special market organisation for perishable commodities, information to Indian producers of the consumers' requirements both in India and abroad.

The planning of production is on the basis of quality and demand, the establishment and the development of regulated markets, surveys for the purpose of developing a common plan throughout India, the establishment of properly organised future market, commodity exchanges and warehouses.

SPECIAL COMMODITY COMMITTEES

As regards the organisations which should be sent up to secure the objects noted above, the Government of India consider, in agreement with the general conclusions reached at the Conference, that in regard to each individual commodity (or group of commodities), marketing will have to be studied from a number of aspects and that while Government assistance will be required for the initial steps the ultimate objective to be aimed at will probably be to establish special commodity committees (on the lines of the Indian Central Cotton Committee) each charged with the improvement of the marketing of a particular commodity or group of related commodities.

The following is the programme of initial steps: (1) The appointment of a central marketing officer by the Government of India; (2) the appointment of provincial marketing officers; (3) the inauguration of provincial marketing surveys; (4) the appointment of special committees for staple crops starting with oil seeds and tobacco; (5) the work on grade and standards under the direction of the Imperial Council of Agricultural Research.

The Government of India have decided to proceed on these lines. The first step—the appointment of a central marketing officer—has already been taken. The officer selected has just arrived in India and the further steps noted above will be elaborated after discussion with him and in consultation with the Provincial Governments. The question of providing the necessary funds needs further discussion, but the Government of India are prepared to recognise that this programme is a matter of All-India importance and to provide the bulk of the expenditure from their own resources.

The steps outlined above have been stated with primary reference to the marketing of crops, but the marketing surveys will also include animal husbandry products. It is accordingly proposed that the Central Marketing Officer should be assisted by a deputy and two assistants to deal with animal husbandry products.

Further, as regards dairy products in particular, in order to study the problems involved in their preparation for wider markets, it is proposed to supplement the Imperial Institute of Animal Husbandry and Dairying at Bangalore by the addition of a Dairy Industry Institute which will include a laboratory for carrying out research on the physical and chemical properties of Indian milk and its reactions to the various forms of processing and transport under Indian conditions.

There was also general support at the Conference for the establishment of provincial dairying committees to study and develop local marketing arrangements. The Government of India is addressing the Local Governments on this matter.

CROP PLANNING

An essential complement to any programme for marketing is the regulation of production in adjustment to demand. The discussions initiated by the Government of Madras and the Punjab on rice and wheat disclosed the danger of serious relative over-production of these important crops, having regard to world position and as regards wheat, as a result of the rapid opening up of the areas irrigated by the Sukkur Barrage. On the other hand, it is to be remembered that demand for other crops or for the products of animal husbandry in substitution for crops may be relatively more favourable and, in particular, that the Ottawa preferences have crea-

ted new opportunities for Indian produce in the British market (notably for linseed, barley, etc), of which it is vitally important that India should take full advantage. The Government of India consider that it is a matter of the most urgent importance that all possible steps should be taken to co-ordinate a plan of agricultural production for India as a whole and they have therefore decided, in agreement with the conclusion reached in these discussions, to propose to the Provincial Governments that a Conference shall be held at the earliest possible date of the Provincial Directors of Agriculture and land revenue officers to discuss what measures can be taken in this direction. It is important that such measures as are immediately possible should be taken before the sowing season for the next cold weather.

INDIAN TRADE COMMISSIONERS

Among the plans for the development of a market for Indian products, it should also be recorded that the Government of India have now decided actively to resume the programme for the appointment of Indian Trade Commissioners in foreign countries which had been temporarily suspended as part of the economy campaign.

CAPITAL PROGRAMME

As a means of improving the economic equipment of the country and incidentally of increasing the purchasing power by distributing employment during this period of depression, the Conference also considered the scope for central expenditure on public works of various kinds. The present occasion is particularly opportune for such a policy in view of the fact that money can now be borrowed at unusually low rates and that land, labour, material, etc., are much cheaper than they were a few years ago. A general review was accordingly undertaken of the possibilities in this direction. The review covered a wide field. Irrigation, both by canals and tube wells, reclamation of water logged areas and prospects of electric power scheme in the various provinces were discussed and results compared. Particular attention was directed to road development and the view was generally accepted, if in terms of the road resolution which has now been sanctioned by the Central legislature, grants to the Provinces from the Road Fund can be utilised for the service of loans raised for the construction of roads, and for the maintenance of roads so constructed, this will be a great inducement for the Provincial Governments to put forward comprehensive plans. It was recognised that the main initiative in the matter of capital expenditure must come from the Provinces because most schemes will be in respect of provincial subjects and Provincial Governments have been asked to supply, as early as possible, forecasts of these schemes which they consider will be, in a broad sense, productive. The present juncture, when there are signs that the weakening processes of the increasing economic depression have been checked, may provide an opportunity when a comparatively small stimulus, in the form of capital expenditure by Government, might, by increasing employment and consequently consumption, have far-reaching effects. On the other hand, hastily prepared schemes may lead to very considerable losses the burden of which will have to be borne by the tax-payer of the future so that preparatory work must not be scamped. For this reason, it is desirable that preliminary forecasts should be prepared as soon as possible so that the range of possible expenditure may be determined without unduly delaying the necessary detailed preparation of each scheme.

INDUSTRIAL RESEARCH

As the attention of the Conference was primarily concentrated on agricultural problems, the main lines of Government policy for the encouragement of industry by means of protection and otherwise were not fully discussed. The vital importance of this side of economic development was of course fully recognised both for its own sake and as a means of improving the home market for agricultural products. At the same time, the development of cottage industries as a supplement to agricultural operations was considered.

Special attention was given to industrial research and the question was discussed of establishing a central organisation for this purpose on the lines of the Imperial Council of Agricultural Research. The general feeling of the provincial representatives was that the most immediate need was for a central clearing house of industrial intelligence which could keep abreast of industrial developments both in India and other countries and be in a position to give information and advice to

the industrialists and persons seeking an industrial opening. The functions of such an institution might be somewhat as follows :

- (1) Collection and dissemination of industrial intelligence.
 - (2) Collaboration with provincial Directors of industries and industrialists in all matters relating to industrial research.
 - (3) Publication at intervals of bulletins relating to industrial research and other matters connected with industrial development.
 - (4) Assistance to industrialists in India by giving advice and making suggestions as to the directions in which research should be undertaken.
 - (5) To collaborate with various organisations of Central and Local Governments with a view to ensuring that specifications prepared or issued by them provide as far as possible for industrial standardisation.
 - (6) To assist in the organisation of industrial exhibition in India.
- The officer at the head of such an institution could also be charged with the duty of organising the future Industries Conferences.

The Government of India have decided to establish a Central Bureau on the above lines and in order to give it an essentially practical character and to ensure that it shall keep in close contact with the industrial market and current business, it is proposed that the Bureau should be attached to the Indian Stores Department the establishment of which has already had a very marked effect in promoting the development of Indian industries.

While a plan on these lines seems likely to meet the most immediate practical requirements, the Government of India do not fail to recognise that further public assistance for the promotion of industrial research may be necessary. Occasions may arise when *ad hoc* grants to scientific institutions for research on a special problem may be required, while in the case of one particular industry—the sugar industry—they have already acknowledged the need for the establishment, with the Government support, of a Central Research Institute.

In this connection it may also be recorded that the Government of India have decided to give a grant for sericultural research and another grant for the encouragement of the handloom industry. Experience gained from the working of the Central Intelligence Bureau described above may indicate what are the needs for further steps in the way of industrial research.

ECONOMIC SURVEYS AND STATISTICS

In this connection, the Government of India took advantage of the presence of the provincial representatives to discuss with them the report by Doctor Bowley and Mr. Robertson on the scheme for an economic census of India with special reference to the census of production and the reorganisation of statistics. As that report had only just been received and as the Government of India had consequently not had an opportunity to study it, no definite decisions were reached and the report will be dealt with separately. The general opinion was however recorded that an improvement of the organisation for the collection and distribution of economic information was urgently desirable and that for the formulation of an economic policy, a reliable survey of the existing conditions was necessary. It was noted in particular that the recent restoration of inland railborne statistics had been of the greatest value to Provincial Governments in dealing with problems in connection with their crops and particularly to the Punjab in respect of wheat. In this connection, the steps taken by the very Provincial Governments to set up advisory economic boards or boards of economic enquiry were discussed and the results compared.

CONCLUSION

The steps covered by the decisions noted above are to be regarded as initiating a co-ordinated policy for economic improvement, while the Conference itself has a special significance as a recognition of the fact that for the proper development of such a policy, close co-operation between the Central and the Provincial Governments is necessary. The Government of India wish to put on record their conviction that the Conference has served a very useful purpose in enabling them to consider the whole range of the vitality of the problems in the economic sphere and to express their thanks to the Provincial Governments for sending members of their Government to represent them at such short notice.

The All India Economic Conference

17th. SESSION—ANNAMALAINAGAR—2nd. to 5th. JANUARY 1934

The 17th session of the All-India Economic Conference was held at the Assembly Hall of the Annamalai University at Annamalainagar, Chidambaram, on the 2nd. January 1934 and continued till the 5th. January, under the presidency of Mr. Charles D. Thompson, M. A., Professor of Economics, Allahabad University.

Welcome Address

Rao Bahadur S. E. Ranganathan, M. A., I. E. S., Vice-Chancellor and the Chairman of the Reception Committee, read the welcome address. He said :—

Since 1929 when prices began to fall, it has not been possible for the cultivators to repay their loans, and a good many have not been able to pay even the interest due on the loans. Indebtedness has been the bane of Indian agriculture—our most important industry, and with the burden greatly increased at present, measures to deal with the situation are more than ever imperative. Whatever Government may be able to do in the matter, a great deal depends on the people themselves, and it is to the popular movement of co-operation that one looks for the inauguration of right policies. Unfortunately, the co-operative movement itself is hampered by many difficulties, chief of which is the question of overdues. It looks as though the paralysing effects of indebtedness have touched the very agency which was intended to relieve indebtedness. While the individual borrowers are not able to repay their loans to the primary societies, they in their turn find it impossible to meet their liabilities to the central institutions.

It is gratifying to find that the cooperative movement is one of the subjects to be discussed at this Conference. I trust that you will be able to suggest measures which, while serving the ends of co-operation, will be in harmony with the larger economic life of the country.

Another question which is to be discussed at this Conference is the problem of population. The increase of the population during the decade 1921-31 by over 10 per cent is alarming in view of the extremely low standard of living. To a country where the average income of the whole population is none too high and where the rate of economic development has been none too fast, this is bound to be an event of serious consequence. Our present difficulties as well as the menace of the future point to the necessity for proper adjustments in order to cope with the situation.

One of the most interesting ideas which has become familiar to us in recent years is the idea of planning. We have suffered an unplanned economy long enough to know that a hap-hazard and empirical disposition of economic forces though it might ensure economic welfare under favourable conditions has an inherent tendency to break down in critical periods. What is needed is a plan, which while properly appreciating the direction and degree of change will provide for responsive adjustments thereto. A comprehensive study is essential for the formulation of any programme of economic development and the announcement by the Government of India of the appointment of a Committee of experts to make an economic survey of India is particularly gratifying. The Conference has chosen "Economic planning and Economic Survey" as the current topic for discussion, and your deliberations in which we are glad to learn that Dr. Robertson will participate, will, I am sure, be of considerable value both to that Committee and to the Government.

It is often said that in regard to the diagnosis of economic troubles and the prescription of suitable remedies, there is much variance even among economic experts. One possible explanation of this divergency may be that many economic questions, notably those relating to currency and finance, are largely political. Politics, in India more than in other countries, has a most disturbing way of breaking into the consideration and discussion of almost every question of public importance, whether economic, social or even religious. You, however, as distinguished scholars and teachers of Economics will, I am sure, deal with the questions before you dispassionately and in a truly scientific spirit, and your opinions and constructive

suggestions should be highly useful not only to those who are responsible for the administration of the country but to every intelligent citizen who is in these days called upon to understand and pass judgment on various economic questions.

Presidential Address

After inauguration by H. E. Sir George Frederick Stanley, Governor of Madras, Professor C. D. Thompson, delivered his presidential address. The following is the text of his address :-

Is economics an exact science in any such sense as physics or chemistry? Is it even an exact descriptive science such as botany or zoology, in some of their branches? For all its use of business terms, is it even a practical science such as engineering, or medicine, or agriculture?

Can economists build bridges across the abyss of depression? Can we create a tougher and more elastic substance for our money? Can we grow a new species of cotton to resist falling prices? Can we inoculate a nation against the disease of a feverish and unequal circulation of its wealth? The physicist has controlled the giant forces of flowing water and electric power, but we economists are asked to control still greater forces—the lust for profits, the lust for power itself.

The world to-day is like the man who spent his time inveighing against doctors until he fell ill, and sent for all the doctors in the town. When one of his friends protested that he had had no faith in doctors, he replied, "No, and when I get well I will kill them all, if they do not come and cure me now!"

For many years the world has been breaking the laws of health and now it is blaming the economists for not prophesying all its ills, and is begging them to cure it. Doubtless the world will also recall the proverb, that while doctors disagree, the patient perishes! The world is demanding that economists deliver results, and economists are much divided. But in spite of criticisms, fair and unfair, the doctors continued to perfect their science until their word is law in their own field. Yet the really good doctor is the first to admit how little he knows of the human body. Let us see whether today in this Conference we can make one or two steps toward perfecting our science. At the same time, let us admit our failures and stop disagreeing amongst ourselves, and see whether we cannot command respect for those things which we claim that we do know.

Even economics has not been void of achievements. Two economic doctors, Oresme and Gresham, discovered the specific cause of a whole group of currency diseases long before economists were heard of. Quesnay, himself a physician, and his friend Turgot, might have saved France from the revolution, but the aristocracy refused to swallow the bitter medicines, which could alone have saved them. And the English economists advised the tonic of free-trade, which though one may argue that it was only profitable for Great Britain at that time, kept the patient in good health for more than half a century.

It would seem that if economics is to cure the world's ills it must understand the causes, it must be able to state the remedies in no uncertain voice, and it must be able to show that the expected results followed the use of the remedies, at least in some cases. In short, it must become an exact science.

What is meant by an exact science?

1. Exact description or definition.
2. Exact measurement.
3. Exact laws inferred either from exact measurements or from exact experiments.
4. The ability to foretell by means of these exact laws and results of future experiments or measurements.
5. The verification and modification of these laws by testing their results under new conditions.

Experiments are not necessary to exact science. Astronomy is an exact science in which no experiments can possibly be made. Man can only wait for astronomical changes and measure them so carefully that he is able to foretell many future changes. So exact is astronomy that the time and place of eclipses can be predicted to within a fraction of a minute or a fraction of a mile. But even here there is a small margin of error. It must be noted that 'exact' means 'exact within certain limits.'

It is necessary to repeat this because it is so often suggested that economics cannot become exact because it cannot make experiments. Economics is exactly in the position of astronomy in having to wait for changes and measure

them when they come, Statistics take the place of experiments. But it must be admitted that the astronomer would be more in our position if some of the planets were inhabited by such large animals that they could influence the motion of their planet if they all got one side of it at once. Even then, though they might cause it to fluctuate, they probably could not change its course greatly. The astronomer is able to predict because, though many causes are acting very few of them are strong enough to change his results. The margin of error that remains is due to the causes which are unknown, or whose results are uncalculated. Similarly the physicist is able to predict because in his experiments he allows only one or two causes to act. Professor Irving Fisher has said that if we ask the most learned physicist to foretell where a newspaper dropped from a window will fall, he can do little better than a man who knows nothing of physics. If the wind is not too strong, he can perhaps set limits to the area within which it will fall, or the time it will take to land, but the margin of error must be very wide. Ask him to tell how long his motor will last. Ask him how much rain will fall in July, or on any particular day in July. If his science is applied to the ordinary problems of life, we find that physics is not much more exact than economics. We question whether the laws of wages have failed if equal wages are not paid for equally hard work, or if one income rises high above others. Yet we do not tell the physicist that the law of gravity has failed if an air-plane rises from the ground, nor do we blame him when it crashes. We believe there are physical laws in spite of these happenings.

In botany and zoology also experiments are made, but very little forecasting is done. The zoologist would be astonished if he were asked to prophesy the number of books on economics which would be eaten by white ants next year. The botanist cannot foretell how many roses a rose-bush will bear. He cannot tell the results of his ordinary experiments. The biologist makes a great number of breeding experiments and selects those results which suit his purpose : He can experiment with guinea-pigs but when he comes to man on whom he cannot experiment he has to be content with statistics. But the economist who must always make all his experiments with man is in a worse position than the physicist would have been, if he had to determine the laws of gravity by dropping cats, or to gain all his knowledge of trajectories from pole-vaulting.

Even if we exclude forecasting and experimenting, by which it is fashionable to test the progress of science, we still leave the tests of exact description, except measurement, and exact laws. We have now great libraries of descriptive economics. We are beginning to have in some countries great masses of fairly exact statistics which descend upon us like rakes of hay from a hay-loading machine, faster than we can spread them out or pitch them into order. But we have not even begun to describe economic phenomena as accurately as the botanist and the zoologist have described the characteristics of orchids or butterflies, when dividing them into families and species. This decade, for the first time, the United States Bureau of the Census has attempted to classify all the counties of the country according to percentages of various crops grown or the produce of dairies or orchards. This has meant the accurate definition of various types of land utilization in terms of measurable data. Before we can have either experiments or forecasting, before we can have exact laws, or even exact descriptions, it is necessary to have exact measurements. Mere counting may be enough for descriptions of phenomena such as numbers of petals and stamens, but not for determining relationships. To me it appears that exact measurement is the great need of economics to-day.

We have been measuring with money, and it is as if we had been measuring with an elastic, an elastic that some one was pulling, someone who did not want us to measure accurately. But we have somehow persuaded ourselves that the elastic was a good measure. We have kept on repeating "other things being equal," "other things being equal," when other things could not be equal. Some times we have even forgotten to repeat that magic charm and when we have repeated it, we have forgotten its meaning. It is quite obvious that we need other measures to check the money measure, when that measure changes more or less rapidly. The early economists used grain and labour as measures. Ricardo was careful to distinguish between money-rents and grain-rents. They tried to measure value in terms of labour. I think, it is absolutely essential to get back to their practice. The first step I would advocate is that we should look behind money. We should look for the goods and the labour. We have been living in a money illusion. George Bernard Shaw has said that at the World Economic Conference every nation was trying to

see how much paper money it could get, and how many goods it could give away. Just as the French police had their motto "Look for the women!" we must be constantly telling our pupils, "Look for the goods, look for the labour!"

MEASUREMENT OF PRICES, LABOUR AND LEISURE

If economics is to be of any use to the world we must answer every question in terms of goods and labour as well as in terms of money. We must state the results of every economic change in money, in goods, and in labour. We must measure in different kinds of goods, in food-grains, in metals, in agricultural products, and in non-agricultural products. We must measure in labour-time and in labour power. To a certain extent we have done this. We have spoken of money wages and real wages. We have divided the index number of wages prices to determine an index of real wages. We have spoken of output-per-capita and output-per-hour and wages-per-hour. Professor Fisher has emphasised the relation between interest in money and interest in goods when prices change. But we need to do this continuously, and to state the results of every problem in terms of goods and in terms of labour. When prices were fairly steady we were lulled into forgetfulness, and now that they are rocking and swaying we are all at sea! Take value, for example. We say that value tends to be equal to the cost of production. But how do we measure this cost of production? In money? The prices of two countries may be very different. In goods then? In what goods? In goods used by the labourers? The same goods may be earned by the labourer in one country with many more hours of work. Then the real wages per hour will be higher in the country with shorter hours. If prices are also lower in that country then it is just possible that money wages per hour may be the same in both countries. But equal hours may not mean equal work. If the labourers work harder in the country with shorter hours and lower prices, it is possible, though not likely, that equal goods received or equal real wages may measure equal energy spent. And if we also assume that the same expenditure of energy results in the same production in the two places, then the two costs of production will be the same in terms of energy and in terms of other goods which can be exchanged for those produced; but the costs of production will not be the same in terms of labour-hours nor in terms of money. The money cost and the time cost will be greater in the country with longer hours and higher prices. The problem is, of course, far from being solved. We have yet to determine what would happen if the two countries were to trade with one another. Would the more efficient country find its prices rising and its hours of labour increasing, and would wages increase more or less than hours of work, more or less than prices? Would the less efficient country decrease its money wages and its prices in proportion in order to meet the competition, or would unemployment reduce hours and wages, so that real wages were lowered? It is possible that the capitalists of both countries may profit, while the labourers of both suffer. And this is only one of many basic assumptions which might have been made!

Moreover, we have not considered the value of leisure in the country with the shorter hours. The leisure hours are a great part of the labourer's real wages. We can remove some of the reproach that we do not measure human welfare, if we measure the value of leisure. In terms of money this must be priced at the wage per hour for the working hours. This would mean that the real wage in terms of money would be measured by all a man's working hours multiplied by his wage per hour. The only difficulty with this measure would be in cases of enforced idleness, or enforced overwork. Measurement in terms of goods is especially necessary when the relative value of two currencies is changing.

Consider the question of our trade with Japan, when Japan had reduced the value of the yen. It was then possible for Japan to reduce the price of cotton cloth in India in terms of rupees. If Japan reduced the price of cloth by one-third, possibly she might be able to double the sale of that grade of cloth. In that case Japan would get 33 per cent more money from India than before while India would get 100 per cent more cloth from Japan. But whatever the exact figures Japan could not get more rupees from India than before unless India bought cloth which had increased by more than the fall in price.

On the other hand, if our tariff had not been increased, Japan would almost certainly have continued to buy raw cotton in India since India's cotton is of the grade required to manufacture the cloth she sells to India. Japan would have to buy more cotton from India probably at a higher place. Therefore, the money which

Japan paid to India would increase more than the raw cotton which India sold to Japan. If the raw cotton and the cotton goods be both measured at any fixed prices between the two sets of prices, then India has gained in goods and in money. On the other hand, if a number of Indian mills have become idle and the labourers unemployed, or their wages greatly reduced, it is evident that the value of Indian labour has been reduced and it is possible that this loss is greater than the gain. The problem cannot be solved completely without knowing the exact value of all the rations between goods and labour and rupees and the yen. It is also necessary to know whether real wages have been reduced in Japan and to consider the long period of reactions. Has Japan made a present to India at the expense of her labourers? If so, can she continue to do so? Are her labourers more efficient than those of India? And, if so, how can Indian industries best be forced or stimulated to increase their efficiency? It is evident that the answers to all these questions depend upon measuring in goods and in labour.

NEED FOR CURRENCY STABILITY

In all the above examples, we were dealing with only one or two kinds of goods whereas in most practical problems it is necessary to deal with many kinds of goods. It is evident that we cannot get very far unless we can stabilize our currency, so that money will actually measure either goods or labour. Since money cannot measure all kinds of goods and all goods are made by labour, it might seem more reasonable to let money measure a fixed quantity of labour. There are various kinds of labour but it might be possible to make a rupee equal a certain number of hours of the most unskilled labour, such as the labours of coolies or sweepers or wood-cutters. Then the wages of every other kind of labour would perhaps measure how far it has risen in the scale of efficiency. But we should still have the difficulty of paying debts fixed in money in terms of goods, which means paying two or three times the quantity of goods in order to pay off the same money for it seems impossible to fix debts in terms of labour. It is, therefore, better to stabilize money, if possible, in terms of goods. Gold has failed entirely as a standard of value. It has become too small a part of the wealth of the world, and is too easily hoarded. It is therefore such a narrow base that prices cannot maintain their equilibrium upon it. The ideal would appear to be a tabular standard in which the metallic exchange value of paper money would be varied in accordance with an index number of prices. The difficulty is to find an ideal index number, since different prices are more important to different parts of the country. When this Association was first started there was a proposal to make a graphical index number for different places in India. For example, wheat is more important in the Punjab, rice in Bengal, jawar in Bombay. But it is possible that the average price of all the food-grains remains much the same in different provinces, especially if weighted according to the quantities consumed. Food is dearer in the cities but manufactured articles may be cheaper there. Here, too, it is just possible that changes in one price balance changes in another. This is a problem which urgently needs to be investigated. The difficulty with the index number is that the changes must be made by some official and there will always be suspicion that the Government is manipulating the value of money. Businessmen wish to know exactly what money means in terms of concrete goods, so that they can make at least an effort at forecasting prices and costs.

A better proposal from the practical point of view is that of Mr. Clark Warburton who was formerly an editor of the Journal of our Association. This is that the unit of money should always be equivalent to a certain number of pounds of cotton plus a fixed number of pounds of iron, and so on for at least ten or twenty of the staple raw materials. This plan should have the very great advantage of stabilising the prices which allow the greatest fluctuations, and should therefore stabilise all other prices which ordinarily fluctuate within smaller limits; but of the latter result we cannot be quite sure. The Government of the United States had an unusual opportunity to introduce such a system when the Federal Farm Board had purchased enormous quantities of wheat and cotton under President Hoover; and it is possible that such a change might have saved him the presidency, though it is more profitable that he would have been turned out for making the change, for the people would never have known from what deep pit he had saved them. The difficulty with the plan is that there are many grades of wheat and cotton! If one particular grade is specified it may sometimes be unusually scarce or plentiful. The difficulty could be got over by fixing a ratio between several of the medium

grades, though these fixed ratios might cause some of the difficulties of bimetallism on a small scale. It is, of course, only the ratios, between a few grades of the same commodities that would be fixed. The ratio between wheat prices and cotton prices would not be fixed at all, but only the quantities which in combination would be exchanged for the unit of currency, either paper or a token coin.

But since it is difficult to persuade people to take more than one step at a time and the above plan does involve certain administrative difficulties, it appears to me, that it is more practicable at present, to advocate what may be called a symmetalllic bullion standard. This is similar to Mr. Warburton's plan except that a small number of metals are substituted for the longer list of raw materials. The unit of currency, either paper or token coin like the rupee, would be exchangeable for a fixed number of grains of gold plus a fixed number of grains of silver plus a fixed number of ounces of copper plus a fixed number of pounds of iron, and possibly other metals. It should be easy here in India, where we have already been exchanging the rupee for a fixed quantity of gold bullion, to say, that we should now exchange it for a smaller quantity of gold bullion plus a smaller quantity of silver bullion plus fixed quantities of other metals. It would not be difficult to establish statistically the particular combination of any given set of metals which would have kept prices most nearly stable in the past, whether stability is interpreted as reducing to a minimum either the absolute or the relative deviations, or the squares of these deviations. If we find that a particular combination of quantities of a certain set of metals would have kept prices nearly stable in a number of different countries and also in different periods, the argument for that particular combination of metals would be very strong. It would, of course, be necessary to make some allowance for the possible money demand for these metals and the fall in the money demand for gold. But if, governments and banks continued to keep reserves largely in gold, as they could do by calculating the value of the combination of metals periodically in terms of gold, the change in the demand for the various metals would be comparatively small. If no combination of metals proves to have outstanding value, then I would suggest that the quantity of each metal used be roughly in proportion to the quantity which is annually produced. It cannot be emphasised too strongly that this system is free from all the difficulties of bimetallism and that it works automatically and is not dependent upon the arbitrary decision of any official, so that it is easy for banks and dealers to make the necessary calculations and forecasts. It is true that it would not smooth out all the fluctuations of prices and might even cause some new wrinkles of its own, but it would make impossible any such wholesale slaughter of debtors, as occurred in recent years. I do not think there is any need to wait for international co-operation in the adoption of such a scheme, but I would point that the present, when many great nations have abandoned the gold standard, is an unparalleled opportunity for the introduction of a better standard. It is also a great opportunity to stabilise the dollar-pound ratio at five dollars to one pound, instead of an awkward ratio like 4.86 and a fraction, as Jevons advised more than sixty years ago, when the dollar was off gold after the American Civil War. As for the rupee-sterling ratio, I have not quite been able to understand why there is so much agitation just now to reduce it to 1s. 4d. in British paper, when it is already around 1s. in gold. The 1s. 6d. ratio has now been sanctified by about nine years' usage whereas the 1s. 4d. ratio had been sanctioned by sixteen or seventeen years of use. But if it is now necessary to inflate the rupee still further in order to save the Indian cultivators from their creditors, a change of only 2d. sterling or 1.4d. gold will hardly be sufficient. If the Indian farmer is hit, so is the British. I think it would be far better to agitate for the stabilisation of both the rupee and the pound on a symmetalllic standard at such a level as to raise prices as much as necessary to relieve the burden of debts.

Even the physicist has trouble with expanding and contracting measures. For many of his experiments, he needs a room with absolutely constant temperature. He has even invented a machine to bring the temperature of a room back to the level he desires whenever it starts to fluctuate. Such a machine we too must build with our multiple correlation, whether it be symmetallism or a tabular standard based on raw materials.

But no matter how much the money measure may be perfected, we shall still need other measures. Other sciences have not been content with one kind of measure, nor have they secured perfection in a day. Think of the long development from the hour glass to the modern machines which measure thousandths of seconds!

Think of the thermometers, barometers, speedometers, galvanometers, measures of electricity, of steam pressure, of the efficiency of engine—of the bewildering array of units of measurement, such as foot pounds, horse-power, candle-power, watts, amperes, kilowatt-hours, cusecs, and many others. We, too, must be measuring the efficiency of the human engine in turning fuel into work, and the man-power generated, and the electrical energy used up in mental work. We are already using their chronometers in timing human fatigue, though perhaps the scientific management expert would scorn to be called an economist!

Medicine, too, which deals with man is inventing new measures. It began long ago with temperature when it discovered that the whole range of life and death lay within ten narrow degrees from 95 to 105. It also measures pulse and respiration, but these were not enough. It has gone on to ova counts, to blood cell counts and to basic metabolism. By measuring the heat in the breath, it has discovered that some people burn faster than others. And what is this but the rate of consumption? Is it not already one measurement of the efficiency of the human engine? We are heirs to all the measurements of all the sciences! We shall use them all, and we shall yet discover the true foundations of things which perplex us sorely now. Just as medicine discovered that the range of life lay between 95 and 105 degrees, perhaps, when we have perfected our measurements, we may learn the limits of economic life. We shall know the limits of price fluctuation within which small banks and small farmers may live and thrive, and the limits of minimum wage and maximum income beyond which individual hopes and individual liberty must perish!

Biologists, too, have used many measurements such as the cephalic index and nasal index of anthropology, the birth-rates, marriage-rates and survival rates of vital statistics, and all the statistical coefficients of biometry, but they do not claim to have solved completely the problem of evolution.

MEASUREMENT IN ECONOMICS

Economics likewise has never stood still. It long ago began to use vital statistics. It soon began to adopt the statistical methods of biometry. It began with the fundamental measures of quality, time, distance and labour, which are exactly the fundamental measures of physics,—mass, time, space and energy! But because we economists did not know physics, even of the most elementary sort, we have gone astray. We failed when we tried to combine these elements. We identified labour with time. We did not know that work is of the same dimensions as energy, that energy is both potential and kinetic, that raising a building and the storing of foodgrains and the training of students are all storing up potential energy. We used the word efficiency, but we did not know that it was of the same dimensions as power, and that it was equal to work per time. We frequently forgot that when we spoke of quantity we meant quantity per time, or rate of production. We pass from quantity on hand in the market, to quantity in existence, to quantity in process of production, and so to quantity which can be produced during a period of time. We forgot that demand and supply are practically always demand per unit of time and supply per unit of time. We started to speak of distance from the market, but we soon turned it into proximity, and then forgot about it altogether, except when we dealt with local discrimination. We started with the market in a central city and then extended it to cover a whole region (or the world.) We said that prices tended to equality in this whole region, and added in a soft voice that this perfection was prevented by costs of transportation. We admitted, after Von Thunen, that rents could be caused entirely by costs of transportation. And then we forgot all about these costs (even in international trade). The specialists did not forget. They developed whole courses on the economics of transport. But we did not allow these to influence our theory. It is only just now that Miss Joan Robinson and others have begun to work on the theory of imperfect competition. We had to wait for the practical mind of woman to make our dreaming realistic. But perhaps we were not so much to blame. We were facing a problem in the relativity of time and space and the transformation of matter, which even physics has only now begun to perceive clearly.

When we came to problems of acceleration, we were in still greater difficulty. We failed to distinguish between production and consumption at a uniform rate and at changing rates. Or, if we made that distinction, we often forgot to say whether the change in rate was a deviation from a uniform average rate to which we would be sure to return, or whether there was a gradual permanent speeding up or a

gradual slowing down. Or if we remembered to say which, we were apt to forget which we said!

Surely it is essential to distinguish between several underlying situations before we discuss a problem in detail.

1. First, we have the hypothetical stationary state where birth-rates and death-rates, consumption, production, and stocks held over, wealth, population and fertility of land are constant, and all things move at a uniform rate.

2. Second, we have the equally hypothetical case where all the fluctuations are foreknown and foreseen. For example, there might be an annual seasonal change which was absolutely regular, but there might also be a regular cycle of three and a half years, so that every change would repeat itself just once in seven years. In this case, we should have speculative trade between country and country and storing from year to year, but all so accurately calculated, that there could be no unforeseen profits or losses.

3. Third, we come to the case where the fluctuations are unforeseen and therefore the calculations cannot be accurate, but we suppose that the average wealth and population and the averages of all the other phenomena remain the same if taken over a long period. There would now be unforeseen profits and losses, but they would cancel each other in the long run. In all these three cases there have been no improvements or inventions and no decay.

4. In the fourth case we suppose that new ideas operate to increase wealth. The cost of production decreases in terms of labour-time, and the changes in the other phenomena may be examined under various assumptions concerning the reactions on population and leisure-time. It is probable that profits exceed losses and that population increases, though not in proportion to wealth or leisure or education.

5. Fifth, there is the case of decay, where wealth decreases, old arts are lost, and probably population and culture decrease, though not so rapidly as wealth. This is a possibility which has been all too little investigated, and whose results must vary with the causes of decay.

The first and second cases are entirely imaginary, but are essential points of departure, just as a knowledge of hydrostatics is an excellent foundation for hydrodynamics.

Still other measures must be introduced if we are to make economics a dynamic science. Already a number have been put into use, such as the ratio of agricultural to non-agricultural prices, and the ratio of the production of other commodities to the production of gold. Professor Fisher has introduced the 'Wantab' which is equivalent to the marginal utility of a unit of money, as the unit of wantability or desirability. Many tentative laws have been suggested by statisticians. It has been found that the trade of any town with the neighbouring cities varies directly as their populations and inversely as the square of their distances which is strongly reminiscent of the physical law of attraction. It is also suggested that land value going out from a centre of population varies directly as the density of the population and inversely as the square of the cost of transportation from the centre. Actual statistics seem to show that over a long period total wealth has increased almost as the square of the population, that is, wealth per capita has increased as fast as population. This dynamic law is very different from that of Malthus, yet it is not necessarily inconsistent with Malthus' fundamental idea, which might still hold true in the stationary cases. We have said that the exact mathematical formulation of 'Malthus' law was the least valuable part of the work. We have ridiculed Von Thunen because he wished an algebraic formula engraved on his tombstone. This is because we have had no conception of the scientific approach to an exact law by means of successive hypotheses and successive approximations. The law of Malthus was a first approximation. We have modified it to read that in any given state of industrial knowledge there is an optimum population, for which the income per capita is a maximum. If the population is greater than this, the income per capita will diminish, as Malthus said, because of the pressure of diminishing returns. But if the population is less than the optimum, the income per capita will then also be less, for full advantage has not then been taken of all the possibilities of increasing returns. Whenever there is any new invention which reduces the real costs, it becomes possible to increase the optimum population.

The iron law of wages and the law of the wages fund were both approximations. We now think that instead of all wages tending towards the minimum for existence the wages of any group tend towards the cost of maintaining an equal number of

equally efficient labourers in that group. But there is no limit to the increase in efficiency. Whenever there is an invention, as rapidly as the gain accrues to the abourers, it is divided between the standard of living and the increase of population. If the cost of maintenance is the level about which wages fluctuate under the stationary assumption, they must be above or below this level when conditions are changing, and can hardly go above or below the selling value of the goods, so it may be that Von Thunen was not so far wrong after all, but gave a first approximation to a law of wages under dynamic conditions.

We may not like these exact formulations but like it or not, they are sure to come. If we do not cure the patient there are a host of other practitioners rushing in to occupy our territory. The geographer, the psychologist, the ecologist, the engineer, the business expert, the mathematician, the statistician, and the dietician, without any knowledge of economic theory, are formulating laws. We must test these laws and use them and welcome them if they are right; we must modify them, try to discover the truth towards which they were going, if they are wrong.

Possibly the greatest of all the difficulties that confront us to-day is the seemingly hopeless division of opinion amongst economists themselves. To some recent writers it appears that there are five or six different schools of thought which are utterly irreconcilable. It is for this reason that the word of economists is not listened to with respect, and the world stumbles on its old prejudices without even such help as we are ready to give it. Some economists are saying that debtor countries cannot pay unless they have a surplus of exports. Professor Cannan points out that if they did pay they would have a surplus of exports. The nation which owes is not ready to suffer the deprivation in goods and in leisure. The nation which should receive the money is not willing to distribute it in wages which would permit the goods to be bought.

We find some economists saying that we must use only prices, we must stop talking of cost and utility and only consider the interrelations of prices. We must stop using utility for which we have no objective measure, and everything which smacks of utility, and use only those things for which we have a concrete measure. So they will measure everything in prices, and go on studying the relations between the wrigglings of prices, prices which are wriggling like worms, as if the zoologists had been content to study the outside of worms and had never used the microtome or microscope. On the other hand, we find economists who tell us that prices can measure nothing. They measure neither utility, nor love, nor character, nor anything worth measuring. Therefore we should stop using prices which in practice seems to mean that we should stop measuring anything and deal with vague but beautiful words, if it is only by prices that we can compare the value of labour and apples and education. They feel that to measure in economics is as bad as to measure the value of a painting by taking the square inches of canvas. They would leave economics abandon the hope of becoming an exact science. They would make economics forever an appreciative art, full of all the beautiful but unpractical jargon of art.

The utility concept has been one of the most fruitful ever introduced into economics, fruitful both of exact thinking and of an impossibility of exact thinking. For we have insisted that utility was purely individual, a thing in each man's mind, the utility of one man no more commensurable with that of another, than the happiness of the optimist is with the joy of the pessimists in making others sad. Each man could maximize his own utility, but we had no knowledge by which we could maximize the total utilities of all. Even the mathematical economists are divided between those who begin with prices and those who begin with utility.

UTILITY AND PRICES

Is there any possibility of reconciling these two schools? Surely prices measure something; surely there is something under the clothing of prices which is the real throbbing life of society. Surely economic life is not to be separated from all that is great and good in the rest of life. Measurement is not all of art, but even the artist measures, and measures carefully, too. Those who want an exact science demand that every phenomenon should be defined in such a way that it can be objectively measured. Only so can changes in that phenomenon be related to changes in others by an exact law. Is it possible to satisfy them? Is it possible to measure satisfaction? If price measures the satisfaction of the buyer, does it also measure the labour of the producer? Is it possible to measure the exhaustion of hopeless toil, the nervous strain of fear? And yet if we do not, all our science of prices will only give us a science of profit-making! What is value?

Is it not at least of the same dimensions as work ? And is not work energy ? Is not labour energy flowing into a commodity ? Is not the commodity only a store of energy ? Is not satisfaction energy flowing out of the commodity into the man ? Perhaps we may yet use the basic metabolism of the physicians as one objective measure. If value is energy then we should be able to measure it in foot-pounds, as well as in units of heat or electrical energy. Who knows ? Perhaps we may. A pound of silk is worth much more than a pound of cotton, but think how many more feet it has travelled, the raw silk in the winding and unwinding of the cocoon, the finished cloth in the far greater number of finer threads per inch that must travel by bobbin and shuttle for miles before the cloth is complete. If we measure things pound for pound, the value of human flesh should be most of all. For years I have been saying that the true wealth of a nation was neither in its gold, nor in its exchangeable goods, but in the bodies and brains and characters of all its men and women. I have said that if we estimated the money value of a man, just as a machine, forgetting all that in which a man is better than a machine, remembering those things in which he is worse than a machine, still we should find that the people were worth more than all the wealth. Yet it never occurred to me before to measure men pound for pound against the most valuable kinds of goods. Using Dublin and Lotka's estimates in their book "The Money Value of a Man", I find that at his maximum a professor is worth his weight in gold almost exactly. But his baby is worth three times its weight in gold. Even the labourer is worth many times his weight in silver and the labourer's baby is worth its weight in gold. If the average value per ounce of a human body is equal to that of silver or gold, the value of the heart must be greater than an equal weight of rubies and the value of the brain must be greater than that of radium !

It is significant that the baby is worth more per pound than the man. With more equal education he would be worth still more. Some years ago the messenger of a bank was robbed in Allahabad. The judge inquired how much he had been carrying and was told that he frequently carried lakhs of rupees. On that day fortunately the sum was smaller. The judge then asked what he was paid. The Chaprasi replied, "Fourteen rupees a month !" The judge then turned indignantly to the manager of the bank and said, "What ! you have a man you can trust unguarded with lakhs of rupees and you pay him only fourteen rupees !" Certainly, the sum of fourteen rupees did not measure the character of that man. But possibly the judge was wrong ! Possibly a higher standard of living might have corrupted the man. His work did not require more energy or education. But if it was not the best for the bank to pay him directly, the bank should have guaranteed his old age and the education of his children. Nothing could have paid him so well as to see the value of his children raised. If prices do not measure character, still less do they measure love. And what shall we say of the huge wages of captains of industry ? Do they measure the power he wields, for good or for ill ? The love of power is stronger than the love of money. Even the child will give away a coin, but not his kiddie cart or his tricycle ! For these give him a sense of power. Why do men desire to drive fast cars and fast air-planes, even sacrificing their lives in the desire for greater speed ? Is it not because their highest satisfaction is found not only in spending their own magnificent powers, but in controlling and guiding the flow of the greatest possible energy ? Think of the countless expenditure of parents in little loving cares and worries. Children are a lot of trouble but they are worth it a thousand times over. Is it not partly because of the love of power, the sense of creating something finer and more valuable than anything else in the world ? Is not the love just measured by the care and the toil put into it ? Is it not possible that when we have measured all the energy that goes into love and the pursuit of power and is expressed in character and creative art we may find that the values men set on these things were not so far from the truth ? If we find that something energy is misapplied in vast advertising, in senseless exhibitions of power, in reaping the fruits which others have sown, we need not be surprised. Even a child with the slightest expenditure of energy may topple over a beautiful vase, causing it to smash to pieces, and to lose at once all the potential energy it had acquired. We do not therefore say the laws of physics were broken. Rather we consider it a proof of those very laws. It was by its own potential energy that vase was broken, not by the energy of the child. Then why should we consider it a breach of the economic laws that the value of the vase is gone ? This value was also a store of labour. And possibly the child may even be taught for the first time in its life to appreciate beauty and the value of labour. It will also be necessary to punish the

bigger children who break vases in order to prove their power, especially those who break men!

The most marvellous increase of wealth is in the training of children. We should take away from those who break men, and give to those who make men! The child who was worth his weight in silver can be made into a man who is worth his weight in gold, by training and education! This is the real alchemy! If the alchemist had only known, he could have created permanent gold, instead of wasting his time trying to create a gold which would immediately have lost its value, had he succeeded!

As Ostwald has suggested there are higher kinds of energy which may defy our measurements. It may be that the human body is always storing up more energy than it can ever give away. Even if we reduce everything to physical energy, we do not therefore destroy the possibility that joy is greater than pain. We are storing energy for immortality, and though the vase lie broken, the labour that went into it may still live on, and mould the spirit of the child who broke it!

The Conference adjourned at 10-15 a.m. and repaired to the Vice-Chancellor's lodge for breakfast, as the guests of Raja Sir Annamala Chettiar. The function was a brilliant one.

PAPERS ON POPULATION PROBLEMS

Assembling after breakfast in the Assembly hall at 11-45 a.m. under the presidency of Prof. C. D. Thompson, the following papers were read and discussed : "Broken Balance of population, land and water", (Mr. Radha Kamal Mukherjee), "Population Problems" (Mr. H. B. Bhide), "Population and Unemployment" (Mr. Zacharias), "Problem of Indian over-population" (Mr. J. Hassan), "On the Maximum of Population" (Mr. Subramanian), "Neo-malthusian and Generative Egoism" (Mr. Srikantan) and "Note on the correlation between agricultural production and stability in two Bengal Districts" (Mr. Ghosh). The House adjourned at 2-15 p.m. for lunch.

Re-assembling at 3 p.m. Prof. C. D. Thompson, M.A., wound up the discussion, by saying, "I cannot help feeling that this discussion has only proved that we are badly in need of measures; otherwise, we cannot say what will be the result of any particular programme which may be supported. Prof. Radha Kamal has defined the opium population as that population which has the greatest expectation of life, whereas it is usually defined as the population which has the maximum income per capita. I think that the two definitions lead to the same result. But it may be easier to measure by Prof. Kamal's definition. The expectation of life according to the census decreased in India in the two decades ending 1901 and 1911 but has increased considerably in 1931. It is essential to distinguish between the absolute and the relative over population. When emigration exceeds immigration, there appears to be over-population, relative to the other parts of the country or relative to foreign countries. The over-population is also relative to the improvements which are introduced. Thus the calculations for the probable maximum population in Mysore would change if we had spread agricultural improvements. It is also essential that the limits of error should be given in connection with any suggested estimates. The error is very great when the estimate is made on the basis of only 5 figures. One of the papers stated that over population and unemployment resulted when the accumulation of capital lagged behind the increase over population. But many writers now think that the present unemployment was due to capital accumulating faster than the increase of population. The greatest unemployment occurred in the country which probably had the least over-population. Therefore, it appears that over-population and unemployment are entirely different problems. We should consider the causes of increases in population.

"Much has been said of the decrease in birth-rate among the better educated classes, but some recent evidence shows that families decline only when they are working their way up in social status and after they have reached a certain increase, in wealth, the size of the families begin to increase again. It is essential that we should try to increase the standard of living rapidly. Since an increase in agricultural production is more difficult than increase in the production of books of toys it is quite certain that as we raise the standard of living, others will increase more rapidly than food. If we can improve production in the villages, it is probable that the standard of life will increase faster than population. It is, therefore, important to educate the people of the villages as all improvements in productions in the villages seem to depend upon education. Therefore, I would solve the unemploy-

ment problem amongst the educated by sending them to educate the people of the villages." If we can give education to the masses of the people so as to increase production and standard of living, the population problem will take care of themselves. For us, the problem is economic."

Second Day—Annamalainagar—3rd. January 1934

DISCUSSION ON MONETARY THEORY

The Conference, to-day, after completing discussion on "co-operation" took up 'Monetary Theory' for consideration.

The discussion initiated by a paper on 'Post-war development in Monetary Theory', which was summarised by Prof. Jain on behalf of the author, Mr. Kapoor. He dealt therein with the differential definition of money, concepts of money, limitations of money and concluded that the idea that money was a store of value was absurd.

Mr. M. K. Munisami then read his paper on 'Inflation and public works as a means to prosperity', which attempted to "discuss the advantages as well as the limitations, attending on the execution of public works by Governments in a period of depression. He pointed out that, if at one stage of the cycle, the world spends freely in a manner which in an individual would be ruinous, it may so stimulate trade that it puts down the commodity value as a means, not of absorbing all the

~~Indian~~ money conditions in the money market by the execution of ~~well-planned~~ public works immediately. He pleaded for serious consideration to make "controlled inflation more effective. Concluding Mr. Munisami suggested a deep study of the American experiment and immediate operation of public works.

Mr. Sivaraman submitted a paper on "Gold standard and its future".

Mr. Thothadri Iyengar, in his paper "Recent developments in monetary theory, some contributory factors" traced the effect of the Great War, which brought in its train debts and reparations and intensive nationalism of economists. He pleaded for a planned currency and revival of prosperity by means 'of practical and less pretentious ways and means'.

Prof. Kale submitted a paper on 'Recent developments on monetary theory' and Bhalchandra F. Adarkar on 'Fisher's real rate doctrine'.

Discussion then followed, in which Prof. P. J. Thomas and others took part.

Prof. Vakil (Bombay) then thanked Prof. Robertson on behalf of the Economic Association for having been present at the conference and said : "So far as the problem of monetary theory is concerned, it is easy to see that they react upon one another considerably. The theories may influence the authors and Government. If the commercial and financial relations of the different countries are going to be in future sound and healthy, it must be admitted that sooner or later, some understanding towards a monetary standard must be reached. Looking at the attempts made in the World Economic Conference, I attended, the two questions discussed were international monetary standard and the tariff question."

Mr. P. J. Thomas said : 'We must have public works in the nature of reflation. There has always been in this country a sudden lack of purchasing power and surplus was placed in the hands of a few. We must excite demand, if necessary, by some urgent measure that may not be followed in normal times. Public works of a productive nature—there is scope for it in India, like bridges, roads, communications, reclamation of wastes and deforestation—and that which will give dividends (housing schemes do not pay) should be undertaken. But the difficulty is that the money which we want to inject may not reach the masses—reach those who are not likely to spend. Our home charges may be made more burdensome. Of course, no immediate rise in prices can be expected, when the purchasing power is so low.'

PROF. ROBERTSON'S ADDRESS

Prof. Robertson then addressed the conference. He said : 'Money could be used in two senses, as an abstract scale of measure and as a concrete thing, which passes from hand to hand and in both these senses it has a present and a future use. In the abstract sense, its present use is as a measure of value and its future use has a standard of value. In the concrete sense, its present use is as a medium

of exchange and its future use as a store of value. In this last use it may be very dangerous, for example, if all Indians stored gold and then let it go all at once. This might prove a great danger or it might prove a great benefit. To lower interests is not sufficient in a great depression". In such a depression, he favoured an active policy of construction by Government. He had always favoured this, even long before the present depression. President Roosevelt had not used this method enough. So far his expenditure on public works had been very small and he had probably spoiled part of the good of that idea by driving up wages too soon. Could the world ever settle down to an international standard again? If so, the nations have to agree not to depreciate their money but use fixed exchanges. It would seem that the present national struggle could not go on. The good standard might have worked before the war, because it was really a sterling standard worked from London. Now there were many monetary standards instead of one and a mass of short term capital which moved violently from one centre to another and could not be controlled. It was hard to see how an international standard could work well, if the rate of progress in production was greater in one country than in another. If money was kept stable in terms of labour power, what was to be done, if the efficiency of labour increased more rapidly in one country? We might have to drive down money-wages in one country and that country would object seriously and then the international standard would break down. Possibly we could combine by adopting a world gold standard but in a fixed parity. The national banks would be authorised to vary the parity slightly, but this too was liable to abuse. If a country was in trouble, it was so easy to depreciate its currency. If countries could be trusted not to vary their parity greatly, then such a system might be most satisfactory. If this was impossible we would probably blunder back on to a gold standard simply because we would not keep away from it. (Applause)

Prof. C. D. Thompson in winding up the discussion said: "In spite of excellent books on money which have been written recently, I wish that economists could read a little book on money written by Mr. Jevons, many years ago. They would there find that many of the ideas supposed to be new post-War ideas were known to Jevons 60 years ago. I agree entirely that money is a measure of value and must be thought of more often as a measure of value; but certainly it is not absurd to call it a store of value. A yard stick is able to measure length just because it is a store of a small quantity of length. The thermometer, though it is not heat, is able to measure unless it were itself a store of value. In physics, energy is measured by a foot pound, which is just the energy required to lift a pound, one foot. Similarly yards cannot be measured by foot pounds. Money can measure value only if it is itself a store of value.

"With regard to public work it is well to point out that the famine insurance policy (?) of the Government of India was a very good example of the Government withdrawing a surplus from circulation in times of prosperity and spending for public works in times of adversity. As pointed out by Mr. Pusey of St. Johns College, Agra, this would have the effect of keeping prices from rising in a time of prosperity and keeping them from falling in a time of adversity. It had even been suggested that this policy may be sufficiently developed to keep prices stable. It is not necessary that all such public works should be productive as has been so commonly assumed. The Government could easily spend such a fund for wiping out slums in large cities and building beautiful dwellings in their place.

"With regard to the gold standard, it is claimed that it has worked well for many years and that all the nations have been on gold. This is very far from truth. Until 1892 the very nations which now constitute the gold block were firm believers in using both gold and silver. India also had a silver standard and only came on to gold in a limping way in 1899. China still has a silver standard and though she had had floods, she was saved from the fluctuations of prices in the gold standard countries and her debtors have not been ruined by the depression. It is strange how difficult it is to make people realise the value of a new idea. Though I did advocate what I consider the most ideal plan for stabilising prices but that which I consider most practical, yet I find I am criticised for offering impracticable suggestions. I find that if one metal had been used, the use of iron as money would have kept prices most stable; but a combination of several metals keep prices still more stable. We swallow daily drugs given us by doctors, composed of many ingredients without knowing what those ingredients are. But we are not yet ready to accept a mixture of metals though it can be proved conclusively that this mixture would have

been the best for the world at large. I would plead with economists in their conferences to come to some agreement as to what is the best medicine now even though they hope to discover better medicine in the next generation. Then perhaps the world will accept their opinion. I cannot agree that changing the rate of interest will ever be sufficient. I would certainly favour international action if that be possible. But if it is impossible then surely it is more important to remedy the ills of a single nation and if that nation succeeds in stabilising prices other nations will be sure to follow. I regret, however, that President Roosevelt could not see his way to fix the limits of inflation which he felt necessary in terms of gold and silver and let the nations come to an agreement, if they could at such a level." (Chchra).

Third Day—Annamalainagar—4th. January 1934

ECONOMIC PLANNING & SURVEY

The Economic Conference met in the Assembly Hall to-day at 10.30 a. m. with Prof. Thompson in the chair, when Dr. D. V. Narayanaswami Naidu opened the subject by reading his paper on "Economic Planning and Economic Surveys."

The programme was altered to-day to suit the convenience of Prof. Robertson, who was leaving in the night. Prof. Robertson wanted an expression of views of the Conference on what statistics are available for the present in India and the extent of their reliability, eminent economists who can be pressed into service and how a questionnaire for the whole of India can be issued.

Prof. C. N. Vakil, with the permission of the President, presented the scheme prepared by the Committee of the Indian Economic Association re: the proposed economic survey and allied questions, which, he said, was prepared in pursuance of the suggestion of Sir George Schuster, who addressed the last Economic Conference at Delhi, inviting suggestions from the Association as to how and what should be done regarding the proposed economic survey.

Prof. C. N. Vakil, explaining his scheme, said :—"We need information regarding production, agriculture and finance and also need to have suitable index numbers. It is possible to utilise the existing agencies both private and Government, with the least expense. The Imperial Council of Agricultural Research is doing something in this direction. A strengthening and reorganisation of existing departments is not expensive; but this should be supplemented by intensive inquiries in typical areas, typical crops and typical industries. Secondly, there should be active co-operation between Government on the one side and associations like ours and the University departments, on the other. Thirdly, there should be economic councils on the lines suggested by Sir Arthur Salter, with this difference, that they should consist of experts and should not be formed on a so-called representative basis. The Indian States should be required to undertake similar surveys.

"In England, industrial surveys have been made by University men and the results are published by the British Government. We have rural surveys but urban areas have not yet been studied except in specific problems. In the collection of data, the suspicion of the individual can be overcome by tact; legislation will be necessary to obtain information from reluctant industrialists, at the same time, the Government departments should be made to realise that they have a duty in this connection, namely, to give willing help to research workers. Universities may be endowed with research studentships by Government for investigating specific problems. At the same time for effective co-operation, associations like ours should have adequate status in this and similar inquiries of an expert character."

Mr. Jam (Punjab), speaking next, said : "I will confine myself to survey under the two heads, scope and method. We have general statistics other than production which is fairly satisfactory. Regarding production, the materials are incomplete or totally wanting and in income, wages and prices no attempt has been made. As to method we must have a comprehensive survey without confining ourselves to any part. By selecting a few towns, we can collect statistics, compile and verify and check with a view to quality because sampling is full of possibilities, taking into consideration the vast size of the country. We should also see that the workers are educated in economics. Next, the co-operation of associations like ours, the Punjab Board of Economic Inquiry, Universities and Colleges is necessary. Lastly, there should be a guide to official statistics, like that in England."

Prof. *Banerjee* pleaded for "conscious co-operative forward action in economic planning."

Mr. *Ayyar* (Dacca) wanted to know the mind of the Government as to what they were going to do in the Survey. "When we remember," he said, "that the scope of many enquiries was limited, for example, the taxation enquiry was forbidden to go into agricultural income, but was asked only to develop a scientific system of taxation, Planning ought to be kept up as a contemporary idea with survey. Comprehensive inquiry must be a part of the regular programme and it must be contemplated with a definite action. Unless you have got an economic planning for the advancement of India, we need not have surveys."

Mr. *Madhava* (Mysore) offered the co-operation of States and stressed the importance of statistics in surveys.

Prof. *Kale* (Poona) said: "We have annual estimates of crops on which the land revenue system is based. Accurate statistics by responsible men, with the co-ordination of the Government of India, Provincial Governments, the States and trained minds are essential. As regards sampling, that is the only method that is practicable in India and my experience also proves that; but care ought to be exercised in the division of tracts. The co-operation of municipalities should be taken in for occupation statistics. Students should be employed and not clerks, with a proper check from above and there must be a same form of unity and common basis, without the exclusion of States, as that will defeat the objects, if we realise the close connection between the people of the States and the people of British India. Above all there should not be any perfunctory manner of work." With regard to the universities and provincial Governments, Prof. *Kale* stressed the need for co-operation of the latter with the Government of India and pleaded for the restarting of the Inter-Provincial Trade statistics. As to the future publication of statistics, he said that there must be statistical information available from surveys, whether Government pleads or not, for the use of scientists. "This will also be useful to the legislators, who talk of wild schemes in the councils."

Prof. *Kamdar* (Baroda) enumerated the various surveys effectively carried out by the Baroda State and requested an earnest consideration of what they had done.

Prof. *Thompson* then wound up the discussion.

ECONOMIC PLANNING AND SURVEYS

Dr. *B. V. Narayanaswami* read a paper on "Economic Planning and Economic Surveys." He prefaced his address with a few observations on the nature of the present world crisis and the need for a planned economy covering the whole of mankind. "International planning, however," observed the lecturer, "is impossible unless all the nations concerned follow sound and well-defined economic policies.

"The Five-Year Plan" inaugurated by the Soviet in 1928 and its success in certain directions served to focus the attention of the world on planning which the trend of events has already made absolutely necessary. The aims of the Soviet in her planning was to get the maximum economic value out of the national resources, to perfect production by co-ordination in its processes, to raise as high as possible the general standard of living and social and individual needs. The plan involves the co-ordination of the planning ideas of Trade Unions, Scientific Institutions, Industries, Banks etc., and is 'cross-checked' by the counter planning method of criticism from those working under plan.

The latest tables show that a programme of a second five-year plan to make the Soviet Union the rival of the most powerful neighbours is published and provides that the volume of production at the end of 1937 compared with 1932 (when the first five year plan terminated) should decrease 3 and a half times or nine times the pre-war production. Seven thousand miles of new railways are foreshadowed, as also the doubling of the agricultural output.

To extend the principles of planning and control that have been developed within the individual business enterprises has been recognised to be necessary in other countries too. Bismark himself felt the need for a general economic policy and since the War, a National Economic Council has been a part of the German Constitution. In Britain Sir William Beveridge suggested an economic general staff. France established a National Economic Council in 1925 and the present depression and chaos have induced many plans of recovery to be discussed and canvassed in America.

Most ideas of planning, however, seem to be coloured by the experiments and experiences of Russia and socialism is said to be fundamental to all planning. Prof. G. D. H. Cole asserts that unemployment can be eliminated and a convenient price-level maintained only in the State controls industry and provides for consumption. Says he : "National Economic Planning in any sense in which it includes the full utilisation of productive resources, involves public ownership of industry and at the same time public control of the distribution of income.....Any real economic plan, therefore, involves not merely the infusion of some socialism into the existing system, but a transformation of the fundamental basis of economic life."

Those, however, who are not doctrinaire socialists or fanatical believers in a proletarian state may be pardoned if they believe—that socialism is not an inseparable feature of economic planning. Planning attempts a rational utilisation of available economic resources for the greater happiness of the greatest number, however this end is attained. A number of plans of a less drastic nature have been considered in America during the last two or three years. Public attention of the world is now taken up by the great recovery drive inaugurated by President Roosevelt and directed by General Johnson.

No one can deny the urgent need for National Economic Planning in India. Planning in India need not be inspired by a crusading enthusiasm against capitalism nor by a desire to bring order out of the wreck of a highly material civilisation. Genuine humanitarian feeling, sympathy with the hungry and the half-clothed masses of the poor, makes it imperative on all humane and right thinking men to banish poverty from this land and to raise the standard of living of the larger part of the country's inhabitants. India is immensely rich in her natural and human resources and she is one of the most indigent and least advanced countries. Few observers have failed to note the appealing poverty of the large mass of the people and their incredibly low standard of life. Another striking feature of Indian Economic life is the extreme dependence of the people on agriculture. The absence of other major avenues of employment has led to too many people turning to land. In 1891, 61 per cent of India's population depended on land for their living, and in 1901 the figure rose to 66 per cent; in 1921 to 76 per cent; and in 1931 possibly still higher. The extent of the average agricultural holding has been going down, while agricultural indebtedness has been on the increase, the total approximate amount of agricultural rent being Rs. 900 crores. The rapid changes in the ownership of land afford an index of the distress which has forced owners to part with their most cherished possession, namely land. Neither Government nor co-operative societies have been able to advance any large measure of credit to the indebted agriculturist and the high rates of interest at which he is forced to borrow tend to increase rather than diminish his embarrassments. A system of land revenue based too much on average has left little or no margin to the cultivator to maintain his family after paying the assessment. Even the phenomenal fall in the prices of agricultural produce has not led to any serious attempt at a revision of land revenues. The wide prevalence of illiteracy has diminished the political potency and economic utility of the larger part of the people of the land. The distress from semi-starvation and under-employment has been made even more acute by the recent fall in world prices of cotton, jute, groundnut, and wheat. The neglect which has stunted education and agriculture has extended to sanitation and public health. Lack of statesmanlike planning has imported to India some of the evils of industrial development, though that development is as yet straggling and inadequate. The workers are paid low, charged high and housed in slums. Little wonder then that six millions die every year in this land, while the average longevity is lowest and infant mortality comes very near the highest. All the necessities for the building up of industries in India are available and nothing further is required beyond a national economic policy on the part of the State for the achievement of the economic regeneration of the country. India can very well profit by the history of other nations to obtain for her the benefits of industrialisation without any of its evils. It will be the task of wise economic planning to avoid those mistakes which have brought bitterness between capital and labour in other countries. The importance of such an industrial development cannot be easily overestimated.

The need, therefore, for planning is as urgent here as in any other land. Such planning should include within its scope the improvement of facilities for inland transport. It is not enough that the seaport town are connected with the centres where finished goods are largely consumed or raw material for export is collected. But foodstuffs are manufactured goods produced cheaply in different parts of the

country should be enabled to reach the doors of the consumers at low cost. As a larger and larger part of the population gets absorbed in industry attempts should be made to introduce modern and mechanised methods of agriculture. Provision should be made for the establishment of an adequate number of land mortgage banks and for the introduction of scientific agricultural implements. In fact, the affording of necessary credit—long term and short term—should form an important item of the programme of expansion. The financing and development of industries should be ensured by the establishment of a net work of industrial Banks throughout the important cities of India. In addition to providing necessary funds for industrial expansion, banks of the kind will serve as connecting links between industries and the general public by giving technical advice wherever needed. Any economic scheme for the future should ensure factory legislation of humanitarian nature and the provision even in urban working colonies of the advantages of the country. In short geographical planning should banish dirt, squalor and ugliness and the distinction between town and country should be reduced. In a land of villages no plan can neglect cottage industries nor the provision of cheap electric power. Proper regulation of marketing and movement of crops should also come under the purview of such a plan. Social insurance scheme cannot be neglected even in a socialistic state much less in India. Economy in the expenditure of administration is the crying need of the hour; and a sound financial system with a stable and independent currency is the prime need of any country which seeks to progress.

Any plan of economic expansion must depend for its usefulness on an accurate and extensive survey of existing economic features. Such a survey for India may be undertaken merely to secure an increased production of raw materials for alien industry, to stimulate export trade and to facilitate the import of finished goods. It may also be taken for a much more laudable object; to raise the standard of life of the vast mass of the people, to improve the condition of the worker, urban and rural, industrial as well as agricultural, and to develop and conserve the abundant resources of this as yet undeveloped land. Statistics on everything that illuminates the future of the people are essential for every nation that wishes to progress.

As I have already pointed out an economic survey is only the essential first step to far-sighted economic planning and expansion.

Such a survey cannot be finished in a day. In fact opinion is unanimous that there should be a permanent bureau of economic statistics. But even this would lead nowhere unless there is a permanent economic council—a small body of economists for expert advice in the formulation of economic policy. This Council should be in close touch with the Director of Statistics and with the provincial economic departments. The members should also have facilities to keep themselves in touch with similar bodies in other countries and with leading economic movement of other countries as well as with the League of Nations. This body will serve as an economic general staff for the country. The members of the liberal industrial enquiry advocated for England a similar general staff combining in themselves the task of statistical collection as well as advice to Government. They also suggested a Standing Committee of the cabinet, called the Committee of Economic policy, to which the chief of the general staff should act as Secretary. Every nation need such organisations for handling and for seeing the complex economic problems of modern administration.

PROF. V. G. KALE ON MONETARY THEORY

Prof. *V. G. Kale* then submitted a paper to the Conference, from which the following extracts are published :—

The breakdown of the international monetary standard, the collapse of international exchanges, the orgies of inflation in which States and banks indulged and the disastrous slump in prices which succeeded the rehabilitation of the shattered monetary systems of the world have evoked interesting discussions relating to different aspects of the theory of money. The persistence of distressing economic depression has led to an intensive study of monetary phenomena and monetary theories; and the numerous plans which well-meaning people have been throwing at the heads of banks and governments, with a view to restore economic prosperity to the world as a whole, have lent an added interest to the discussion of monetary problems. The study of economic cycles and industrial fluctuations and along with it of the influence of money and credit in these phenomena had made considerable pro-

gress before the war. It has been stimulated during recent years, and some of the leading economists of the world have participated in these discussions, and have made valuable contributions to the development of monetary theory.

In spite of the differences of opinion which still prevail, to a certain extent in respect of the nature and the functions of money, there is a "general agreement that the value of money is measured by its de facto command over goods and services and that changes in such exchange value can be stated most easily in the form of index numbers, which, as they express alterations in the level of prices, reveal the reciprocal of changes, in the purchasing power of money." The quantity theory of money was employed to explain the phenomenon, but since, in its early formulation, it failed to give satisfaction, it has been presented in improved forms. The quantity theory has undergone refinement in various ways, and the 'equation of exchange' has been consequently constructed so as to bring out the precise influence of the various factors involved in it.

Whatever the justification for the hostile criticism against the abstractions, the simple assumptions and crude attempts at application to practical problems, involved in the quantity theory, may be, it will have to be admitted that the substitution of income for volume of circulating medium and the introduction of the principle of marginal utility for the understanding of monetary phenomena, have led to noteworthy improvement in the approach to the study of the whole problem. The idea that money is neither an ordinary commodity nor an instrumental or intermediate good but is a category by itself, owing to its peculiar nature and function of a medium of exchange, is favoured on all hands. The conclusion follows that elasticity of demand for it being unity, the value of purchasing power of money depends upon its quantity. It is indeed true that some of the assumptions underlying these propositions may not be true of certain communities and certain conditions, e. g., in India. Thus metallic money may continue to enjoy great importance and credit, the credit machinery may be undeveloped and even the index numbers as constructed may not correctly and faithfully reflect changes in the value of money and may, therefore, not be of much practical utility. It will, however, be to be admitted that the quantity theory as recently formulated is no longer open to the objection that it is mechanistic and does not tell us how actually the price level is influenced by changes in the volume of money.

It is interesting to realise how money plays a vital part in the distribution as well as exchange of wealth. Goods and services employed in production are paid for in money, and incomes of people are thus received by them in the shape of money. These incomes, however, satisfy the wants of their recipients only by being turned into goods and services; and therefore, the purchasing power of money is of the utmost importance to them. The unit of exchange (and payment for goods and services) that is, the money unit, is thus the unit of incomes in a double sense; first, as the unit of calculating wealth in terms of money and second, the unit of purchasing power." The value of money is characterised, therefore, as "the relation between claims to goods based on services rendered by individuals and the possibilities for the satisfaction of wants afforded by the supply of goods secured through the process of wealth distribution." That the price level and the value of money can change through change on the goods side of the equation, was easy to understand; but how prices can change through a change on the side of the money, which is only an instrument of exchange was difficult to grasp. But it should be noted that money incorporates claims to goods and influences distribution; and a change in its quantity disturbs the equilibrium between incomes and goods and therefore the value of money. It does not work directly on market prices but through the distribution of income. It follows from this that the change in prices, brought about by changes in the volume of money, cannot be linear, that is to say, all prices cannot rise or fall in the same measure. It is through the disturbance in the quantity of income that the changes can proceed and they will spread in the community by stages. It was the idea of a change in the level of prices being proportionate to the change in the quantity of money that brought the old quantity theory of money into disrepute.

Fluctuations in prices, particularly in what are known as economic or trade cycles, must depend on the money income of the community and the manner in which it chooses to utilise it. Prof. *Gregory*, therefore, says:—"It is, however, necessary to supply in detail the reasons why it is desirable to hold larger or smaller balances at one time or another, and to explain how an increase in the system of money income can take place. But given a fixed supply of means of payment,

increased outlay means a diminished average balance while an increased average balance involves diminution of outlay. An increase in the volume of means of payment is due either to increased borrowing by the business community or increased (uncovered) expenditure by governments. It is clear that it is easy to pass from one theory to the other ; the general idea is the same, although the emphasis is different." In view of the development of thought on the subject, Prof. Keynes' Treatises on Money must be regarded as the most recent contribution of outstanding merit to the study of monetary theory. It is impossible to give here even a rough idea of what he has attempted to propound. But it may be said in general terms that he attributes changes in the value of money to a divergence or lack of correspondence between the money savings of the community and the volume of new real investment, that is, the net addition during a given period of time to the capital wealth of the community. He constructs his own equations of exchange to demonstrate the truth of the thesis he seeks to expound. The special meanings in which he uses some of his terms such as saving and investment and also the method of treatment he has adopted in the new work, have aroused a good deal of criticism.

Most of the thinkers who have, in recent years, devoted special attention to problems relating to monetary theory, appear to have done so in connection with their study of the phenomena of industrial fluctuations. In so far as the theories of industrial fluctuations have reference to money and credit, they tell us how in the time of the boom, more money is invested than is saved and this supplementary money capital comes out of credit extended by banks. The resulting relative high prices compel certain classes to reduce their direct consumption and lead to their "forced savings". The increased supply of credit renders possible the carrying out of new combinations of the factors of production and new goods are manufactured at the expense of consumption. The suggestions which have been made by various writers very naturally have direct reference to their own analysis of the prevailing depression and to measures they regard as practicable or desirable in the circumstances. Non-monetary and even non-economic causes are very largely responsible for the persistence of the present depression, and the ordinary monetary remedies to overcome it, are found to be insufficient and ineffectual. If the present slump is attributed to saving exceeding investment aggravated by a propensity to hoard, who is to remedy the defect ? According to Prof. Keynes, it is the duty of the banking system to achieve equivalence by making their market rate coincide with the 'natural' rate, thus preventing fluctuations in the price level. For this purpose he would have international control and a supernational authority to regulate monetary affairs. This is a notable sample of the ideas and suggestions propounded by various thinkers who have been actively working on the problems of industrial cycles and money and credit.

President's Summing-up

Prof. C. D. Thompson, in summing up the discussion on "Economic Survey and Planning", gave an account of his own experience in collecting statistics in some of the cities of the United Provinces in connection with "The Survey of the Transmissions from small scale to large scale industries", and said :

"In connection with agriculture there are already statistics giving the quantity of land of different types in each village ; there is the cultivated land, the pasture land and the waste land. There is also distinction made between the land near villages which are fertilised and the lands further away. The land is also classified according to soil ; for example, there is the land in the river bottoms on which a third crop can be grown. It is necessary to make sample investigations for each of these types of land ; and here too production, consumption and money wages can be checked against one another. In the case of the money crops, such as sugar and tobacco, it is possible to make a further test by asking what part of the production they consume themselves. The farmers usually have a very clear idea that they have consumed themselves about one half and one quarter of the sugar produced in the village or the fruit or the ghee. In many cases all the ghee is sold from the village.

"With regard to the different statistical years, the financial year begins three months later than the calendar year and the co-operative year three months later than the financial year. If statistics could be given for each quarter year, there would be no need to change these years and the correlated statistics would be far

more valuable for calculations of periodicity than the annual statistics. In this way all the work of interpolation would be saved.

"I sympathise with those who want a comprehensive survey but it is better to have some survey than none at all. If the Economic Enquiry Committee had recommended a less comprehensive survey we should have had a great many figures by now. As the statistics increase both the Government and the people realise the value of having these statistics and will demand more statistics and also faults in them will become more apparent and more accurate statistics will be demanded. But it is best to begin with some survey of production by means of sampling. I cannot agree that we need no more statistics than are already collected and that they could be co-ordinated entirely by the research scholars in the universities. We have informed the Government that we can put research scholars on problems which they wish solved, if they will inform us at the opening of the university sessions concerning these problems; as it is very difficult to stop a research scholar in the middle of an investigation, when only a few months remain to carry out the new investigation desired by the Government. Most of the universities have not money enough to publish investigations they have already made. So far as I know none of them have been able to purchase even all the Government statistics, (daughter) and none of them have been able to purchase "The Cambridge Economic Surveys" or "The Roman Economic Surveys", so that we have not these necessary statistics for comparison with other countries. It is certain that some expenditure will be necessary yearly. It is very essential that there should be at least one man in each province whose whole time is given to the co-ordination of statistics from all the various departments which now collect so much valuable information.

"With regard to what has been said concerning planning, one must remember that whatever the plan to be adopted it will be a better plan if we have better information; there can really be no good planning at all without better statistics and better co-ordination of those that exist. It must be remembered that whatever statistics are collected they will be used by both sides on any question just as the "wets" and the "drys" used the same statistics in America (daughter) and thought that they had each proved their points (renewed laughter).

We have all been urging that there should be improvement of production and of the standard of living in the villages. Except perhaps in China, there is no place in the world where there is such a field for increasing the demand for goods as exists in the villages of India. If the village standard can be increased, it will mean an increased demand not only for all the industries in India but also for the industries of foreign countries and among these especially of British industries. Therefore all interests must unite in desiring increased production and increased demand from the villages of India; and any plan to help the villages must be placed upon an accurate knowledge of their production and industries and their trade with the towns." (Loud applause).

Fourth Day—Annamalainagar—5th. January 1934

INDIA AT THE ADVENT OF BRITISH RULE

After holding the general body meeting of the Association in camera from 10—12 a.m., the Conference reassembled at 2 p. m. to-day in the Assembly Hall with Prof. C. D. Thompson in the chair, when discussion was opened by Dr. B. V. Narayana-swami Naidu, who read a paper on "Economic conditions in South India at the advent of the British rule."

In the course of his paper, Dr. Naidu said:—"From evidence available it seems to be clear that between 1650-1800 the conditions in S. India went from bad to worse, though the economic prosperity of the country in the 14th and 15th centuries is beyond dispute, when the general economic condition was so good that the common people were not unaware of a few luxuries: but conditions rapidly deteriorated." Dr. Naidu, referring to the land revenue system existing at that time, said that the conditions of labour during this period were nothing short of slavery. "Yet it is proved that the economic conditions about 1800 A. D. show that the needs of the inhabitants were made by indigenous industries and that the complete dependence on imported goods so characteristic of our times are unknown. These settled periods were followed by a period of chaos and unsettlement. Government themselves being amorphous and fluctuating, each one tried to squeeze as much as

possible : so the land-tax was oppressive, aggravated by capricious and illegal exactions." He concluded : "Centuries of prosperous rule had been succeeded by a period of utter anarchy and confusion. During that period of upheaval, gradual adjustment was rendered difficult, if not impossible, by the ignorance and lack of sympathy of alien conquerors. The policy of the East India Company and the mismanagement by its servants did not serve to mitigate the evil."

Prof. Karve's paper, "The Deccan at the advent of the British Rule", was summarised by Prof. Kale as the author could not attend the Conference. He traced the causes of the fall in prices at the advent of the British rule and its effects on the various classes of the community.

Dr. Ram submitted a paper on "American Trade with India (1785-1861)."

Prof. Kale read a paper, "Economic conditions in Maharashtra at the advent of the British Rule," in the course of which he said : "We must not forget that the conditions prevailing in the country were disturbed at the advent of the British rule in India and normal conditions were absent. The very fact that the British rule was established after a series of wars ought to prove the abnormal conditions. There had been misrule, consequently the rural economic system was materially modified." Referring to the currency of these times, the Professor said : "We had silver and copper imported, mints licensed and defective coins received at discount. This promiscuous currency disturbed prices. Yet the general impression created is that, in spite of the disturbed times the administrative and economic system of the village was such that the lot of the people was not unhappy, as there was proper exchange between small towns and villages were self-contained, new industries promoted and social economy entailed satisfactory distribution and production."

Prof. P. J. Thomas's paper, "Economic Depression in the Madras Presidency (1820-1854)" was read by Mr. Nataraja Pillai. Prof. Thomas said that the depression of 1820-54 was analogous to the recent price slump which commenced in 1930 and was still continuing. The causes were : secular price movements : monetary causes and scarcity of precious metals. There was an outflow of bullion and a rhythmic movement was observable in the bullion transactions of India. The result was coin went out and the amount of currency in circulation diminished. At the same time demand for money increased because of barter disappearing and growth of business transaction and cash payment was introduced by British rule in land revenue and civil and military transactions. Prof. Thomas then traced the almost total destruction of export trade in India.

Among other papers that were read were : "Some aspect of the post-Diwani land revenue system in Bengal and Bihar" by D. N. Banerjee (Dacca), "Agristic serfs in South India at the advent of the British rule".

PRESIDENT'S SUMMING UP

After discussion on the subject, Prof. Thompson, in his summing up, said : "The papers this afternoon have been exceptionally interesting to me in so far that they seem to prove conclusively that depression very similar to the present one was troubling both Madras and Bombay just 100 years ago. The price curve in Prof. Thomas's paper seems to show great fluctuations after an average period of 7 years : but it is very evident that there was a long fall and rise in prices, covering the full 50 years. Mention is made that the change in prices was partly due to the fact that formerly the money spent on soldiers went back to the village. It has often seemed to me that one of our chief difficulties today in bringing about economic improvement in the villages was the fact that so much of the revenue came out of the villages and never went back to the villages. Not only are the cities partly supported by revenues collected in the villages but the rents paid to the absentee landlords are spent in the cities more than formerly and in the United Provinces we also have octroi duties levied in the produce of the villages, which prevents the proper exchange between town and village mentioned in one of the papers. We also find it stated that Indian industries have suffered because so many people who had formerly patronised Indian art began to copy British fashions and bought foreign goods and foreign cloth. Again, we find recounted that currency and specie were going out of the country which reminds us of the recent exports of gold. It may be that private imports of specie exceeded exports ; but it is probable that this import was on account of bankers, merchants and money-lenders who were increasing their wealth at the expense of farmers who has been in debt to them. It

must be remembered that if one class grows poorer, another usually grows richer. The demand for land revenue in cash is similar to the demand for the payment of debts in cash which so often results in selling out farms. Probably in any such crisis, wealth is becoming more unequal and the creditors are gaining at the expense of the debtors.

"The information collected by Prof. *Kale* in the archives of some old families amounting to the complete survey of a village, more than 100 years ago, is of the greatest value. One of my students discovered in his family record rates of insurance for cargoes on the Ganges, rates of interest for various kinds of loans, prices of various crops, rents and even complete budgets of the family extending back more than hundred years in some cases. I am sure that some of the students now sitting in this hall could find valuable information of this kind in their own houses or in the houses of their friends. Such information will never be available to the public as it is considered a secret of the family, but can only be obtained by a member or a friend of the family.

"All this evidence taken together seems to show that there may be actual cycles of about 50 or 100 years; cycles of these lengths have been indicated in some meteorological phenomena and in records of the floods of the Nile. Moreover the records of great families in India seem to show that they have occurred at intervals of about 105 years. Any such change in weather would be comparatively small but economic and political changes appear to be added to those changes so as to greatly increase the fluctuations. There seem to be wars after about 50 years. During every war there is necessarily a great increase in prices and after war, a great fall in prices; when prices fall far enough gold becomes relatively much more valuable. Then new gold mines are discovered as happened in California in the forties and in South Africa and the Klondyke in the nineties.

"Then prices begin to rise again and apparently this rise in prices at first stimulates prosperity and trade but in the end increases competition to such an extent as to cause great war again, as soon as the production of gold slackens. There is some indication that the greatest foreign wars occur after one hundred years while there is more tendency towards civil wars halfway between. Much more research needs to be made on this question. The period for which we have figures is too short to be sure; but the papers presented today lend considerable support to the possibility of such cycles.

"We have fixed economic planning as one of the subjects for next year and I trust that the problem of planning for the villages will then be considered. The village people can by no means be described as those who know nothing. They are waking up and if any planning is to be done it must be done for them."

Summing up over, Prof. *Thompson* congratulated Dr. *Naidu*, the local Secretary, the Vice-Chancellor, *Raja Sir Annamalai Chettiar*, and the students for their efficient organisation of the conference. He hoped that many rich citizens of India like the *Raja Sir Annamalai Chettiar* would come forward to endow universities.

Prof. *Kale* proposed a vote of thanks to the president and on behalf of the delegates and association thanked the organisers of the University.

Prof. *C. N. Vakil*, General Secretary, associating himself with the above remarks, seconded the vote of thanks.

Prof. *C. N. Vakil* occupied the chair in the place of the outgoing president. The proceedings of the Conference then came to an end.

A. I. Provincial Co-operative Banks' Conference

The following is the opening address delivered by Mr. *V. Ramadas Pantulu*, President, Indian Provincial Co-operative Banks' Association, at the third All-India Provincial Co-operative Banks' Conference held at Amraoti (Berar) on the 24th June 1934 :—

The interval that has elapsed between the last Conference (which was held in 1931) and this has been a period of great trial to the Co-operative Movement. The year 1928-29 was the peak year in the prosperity of the Co-operative Movement in all provinces in India. The unprecedented economic depression, which set in towards the closing months of 1929, marks the beginning of the decline in the fortunes of the Movement. In the quarter of a century since 1904, when the Movement was officially inaugurated in India, it made marked progress. About 1,00,000 primary credit societies, 600 secondary institutions known as Central Banks and a dozen Provincial Banks with a working capital of about Rs. 50 crores (excluding loans made by the secondary bodies to the primaries and deposits made by the latter with the former) sprang up in India (British India and the Indian States), in that period. Out of this sum, about Rs. 14 crores represented the owned capital of the institutions themselves, that is to say, their share capital and reserves. The membership of these institutions reached the figure of about 3 millions and on the usual computation that an average rural family consists of 5 persons, it means that about 15 million people were brought into the movement. The cooperative credit institution had not only come to occupy an important place in our credit agencies, but also secured a recognised position in the regular banking system of the country. This is borne out by the fact that the Co-operative Banks are definitely brought into the scheme of the Indian Reserve Bank. Since 1929 however not only there has been no further progress but there has been an actual setback. In almost all provinces registration of new societies is not encouraged, while large numbers of bad societies are being liquidated. There has been considerable curtailment in the credit dispensed to the members of the primaries partly because the borrowing power and repaying capacity of the members have gone down and partly because they became ineligible for fresh credit having defaulted largely to discharge their previous obligations to the societies. There has been a shrinkage in the working capital of the credit institutions, mainly because they have ceased to borrow afresh from the investing public, there being no outlet for the money. Portions of the working capital which they still possess are either invested outside the movement in securities which bear low rates of interest or are idle. The profits of the institutions have naturally gone down. With the fall in the net profits of the primary and the central institutions, their capacity to make adequate financial contributions for supervision of societies has decreased, with the result that the supervisory agencies have also suffered. Effort is now largely concentrated on effecting recovery of overdue loans, securing old loans by additional or fresh security when they cannot be collected, and in rectifying such of the societies which have any vitality left in them still.

CREDIT MOVEMENT

The question is sometimes put to me now whether with the improvement of the economic position or in the wake of "Recovery", the co-operative credit movement will revive. My answer is that it will, but it can no longer be usefully or successfully run on old traditional lines. We started our credit movement on two main assumptions, both of which experience has shown to be fundamentally erroneous. It was believed that the rural credit society would be a suitable agency to supply all the credit needs of the agriculturist so as to completely wean him away from the money-lender. Co-operators were eventually disillusioned and found that while the credit society was best suited to provide short and intermediate loans for production and marketing of agricultural crops, it was wholly unsuited to provide substantial long term credit, which is as much a necessity as the other varieties of credit. As the Central Banking Enquiry Committee has said: "opinion on co-operative credit has now crystallised round the idea that these varieties (short, intermediate and long term) of credit cannot be supplied by the same type of

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cooperative organisation and that two different types of them are indispensable". The other assumption that was a guiding factor in our credit movement was that the indebtedness of the agriculturist was the main cause of his poverty and that his economic rehabilitation could be accomplished by liquidation of his prior debts through co-operative credit societies. The truth seems to be that the poverty of the Indian peasant is due to other causes and is itself largely the cause and not the result of his indebtedness. There has been an enormous increase in the prior debt of the agriculturist in the last few decades, and it is still growing with the increasing dependence of the population on agriculture, the decline in village and domestic industries which once furnished subsidiary occupation, constant fragmentation of holdings, increase in burdens of taxation, rent and revenue, fall in the prices of agricultural products and other economic factors. This process of the growth of rural indebtedness cannot be arrested by the Co-operative Movement alone, nor can the chronic prior indebtedness of the peasant be liquidated or substantially reduced by the Cooperative Credit Societies.

The lines of development of co-operative credit in future must, therefore, mark in my humble opinion a definite departure from the methods hitherto tried. The lead in regard to this reform must naturally come from the Provincial Co-operative Banks and much of the future of the movement will depend upon that lead. I feel that the time has come for segregation right from bottom to top of "long term credit" from "short and intermediate credit" and to develop distinct types of institutions to deal with them separately. It does not follow that these types of organisations need not or cannot co-operate *inter se* to supply the different varieties of the credit needs of co-operators. Indeed such co-operation between them is essential for the success of the Movement. Hitherto the Punjab, Bombay and Madras, and to a certain extent Assam, have been endeavouring, with varying degrees of success, to develop land mortgage banks. Of these four provinces, Madras is the only province which has established its Provincial Bank to deal with long term finance and we are glad to welcome that new Provincial Bank to our Conference and to affiliate it to our Association. In this respect, I commend the example of Madras to other provinces not because of my partiality for the system in my province, but because of the manifold advantages it has. I am glad to find that Bengal has taken up the question of establishing land mortgage banks in earnest and I hope that ere long Bengal will be able to go ahead with the scheme. The possibilities of a similar line of development in the United Provinces and Bihar and Orissa, may, in my opinion, be usefully explored. I am fully alive to the impediments that stand in the way of developing land mortgage banks in these provinces, the most important of them being the system of land tenures and the statutory restraint on alienation of agricultural land. The Central Provinces and Berar stand on a somewhat different footing in this matter. While I fully realise that complicated and delicate political, social and even communal issues are involved in the reform of the laws regulating holding and alienation of agricultural land, I urge that something must be done to permit transferability of such land in connection with the operations of co-operative land mortgage banks.

The future development of co-operative finance through rural credit societies, central banks and the provincial banks must mainly aim at supplying the credit needs of agriculturists for seasonal operations and for marketing their products. I am in entire agreement with the views expressed by the Registrar of Co-operative Societies, Central Provinces and Berar, in his report for the year 1932, when he says that providing the agriculturist with short and medium loans for raising his crops would result "in the general improvement in his material condition and standard of life". Another sphere in which co-operative credit institutions can play an important part consists in the revival and reorganisation of some of our village and domestic industries. This question was carefully examined by several Provincial Banking Enquiry Committees and on a survey of the materials collected and the opinions recorded by those committees, the Indian Central Banking Enquiry Committee came to the conclusion that by the revival of those industries much can be done to provide the cultivator with a suitable subsidiary occupation for his spare time and that co-operative industrial banks or well organised co-operative urban banks are the best agencies to meet the financial requirements of these industries satisfactorily. Here is therefore another useful line of development of co-operative credit for truly productive purpose in future.

I wish to take this opportunity of expressing my grateful thanks to the Indian Provincial Co-operative Banks' Association for having nominated me as their representative to the Indian Central Banking Enquiry Committee, for deputing me to give evidence on their behalf before the Joint Select Committee on the Reserve Bank of India Bill, 1933, and for sending me as their delegate to the Eleventh Registrar's Conference. I have tried my best to place the views of the Association and of the several Provincial Banks before those bodies, and I am glad to state that many of the suggestions put forward by me on behalf of the Association and the Provincial Banks have been accepted. It is true that the Indian Reserve Bank Act does not contain any specific provisions about Rural Credit except providing facilities for the re-discount of agricultural paper by the Reserve Bank. Provision for Rural Credit through the Reserve Bank is, however, left for future legislation. I hope that this Conference will be able to formulate certain specific lines, on which such legislation may proceed.

Before I conclude, I desire to convey to our fellow-co-operators in Bihar the sympathy of the Indian Provincial Co-operative Banks' Association and of the co-operators all over India in the terrible suffering they have undergone by the devastation caused by the earthquake. The task of reconstructing the affected areas will be long and strenuous, and I have no doubt that co-operative organisations and co-operators all over India will help Bihar in this matter. The Madras Provincial Co-operative Bank has offered a loan up to Rs. 25 lakhs to the Provincial Co-operative Bank of Bihar and Orissa if it required the money to finance the relief operations. But I am glad to hear that the Government of Behar and Orissa are themselves contemplating to lend the necessary funds to the Provincial Bank at Patna.

Opening Address

In his opening address to the Conference, the Hon. Mr. B. G. Khaparde, Minister to the Government of the Central Provinces, said :—

The Co-operative movement in almost every Province is faced with more or less troubles due to internal as well as external causes. This is apparent from the fact that the Government of India resolution on the recent Provincial Economic Conference mentions that "in most provinces the co-operative movement is in difficulties, and in several cases the difficulties gave cause for anxiety." There may be just an exception or two, but the general remark holds good. I shall not take upon myself to speak about other provinces, the representatives of which are here and should be expected and allowed to state their own cases. At the same time I mention this to find a consolation in the thought that we are not the only sinners in this respect. Though I shall deal with the movement as we find it to-day in this province, yet I cannot refrain from mentioning to you that this movement has been so widely affected in all parts of India that we cannot avoid concluding that the external causes affecting this movement in all provinces should have a great deal in common.

If you pardon me for beginning this address with a simile, I should liken this movement to an aqueduct which serves as a distributing passage between the storage of water and a thirsty world and the parched land. Just as we have a large store of water and we construct mains and sub-mains, and other passages for distributing water amongst those who need it, and for the land that is waiting fertilisation ; so is this movement stationed between the money of the capitalist at one end and the needy peasant and farmer at the other. Just as the system for conducting water may be affected by defective engineering as well as by external weather, so has this movement been affected by mistakes that crept in, and also by causes which were beyond man's control. It should be realised that taking the system as a whole, the affection of one component part of it cannot but tell on other parts, and if we want to work the system as a whole, you cannot afford to neglect any one part at the cost of the other. The interests of the capitalist, who stands at one end and supplies the deposits to our banks, need being as much guarded as the interests of the peasant and the farmer, who stand at the other end, and the machinery that serves these two ends needs to be kept clean and well protected.

The mistake of using short-term deposits for long-term loans is now commonly admitted. Deposits were received in banks on express terms of their being returned after a specified time, and out of these deposits were dealt out loans which were calculated to take longer than the time at the end of which the deposits were so returnable. Either it was hoped that the depositors will not want the money back

and will renew the deposits, or the faith in the borrower was unduly optimistic. Whatever the cause which led to the adoption of this course, the fact remains that it has affected this movement adversely.

Inexperience in the conduct of a movement of this kind perhaps led to the concentration of debts so that a large sum of money was locked up amongst a small number of debtors. Unduly large loans, such as were not contemplated by the sponsors of the movement were lent out with the result that a section of the needy cultivators who wanted small debts could not be attended to, not perhaps because the necessary funds were not available, but because attention was disproportionately concentrated on large loans. The borrower was not very careful in using the capital for productive purposes and found it difficult to make it up after it was spent.

Like unskilful generals we conquered new regions without caring to keep a hold on the ones already ours and extended the movement at the cost of firm hold and organization.

Voluntary work was accompanied by its usual concomitants, viz, sincere devotion and elastic discipline. All honour to those who gave their youthful energy, matured judgment and precious long periods of their lives to the organization and betterment of this movement. Let us however recognize our shortcomings and learn from the consequences.

I shall not attempt an exhaustive catalogue of what I term internal causes of our present situation and I think I have sufficiently indicated the direction in which I would like to lead your thoughts.

The external causes that affected this movement are too well-known to be mentioned in detail.

During and after the war the prices of field products happened to be so favourable and familiar that it took strong imagination to foresee that these favourable times may not continue long and the reaction to the extent that we experience would inevitably come. The lending banks under the circumstances lent freely hoping that the money would flow in as easily as it was flowing out, and the borrower borrowed without reserve hoping that he will be able to repay the money under the most adverse circumstances that he could then imagine. Unfortunately the calculations and the faith of the lender and the borrower proved amiss and the long series of years yielding bad crops followed in continuous succession. The general depression of trade all the world over added to the difficulties and abnormal economic situation created by the war subsidies brought about world conditions which no human mind could foresee.

The co-operative movement, which was started to help the cultivator by increasing his power to produce the wealth of nation, could not fulfil its mission under these adverse circumstances; and not only this, but the irony of the situation so worked that the movement came to be looked upon as something against the interests of the cultivators. The central banks were bound to pay back the depositors their money when demanded and keep up their credit, and therefore, they took recourse to coercive measures against the agriculturist which could not possibly be appreciated. While the banks took their stand upon their right to get the money back that they had lent, the borrower came forward with the plea of equity and humanitarian considerations, which had their own force and gained ground on account of the wide sympathy they commanded. For sometime past, therefore, the co-operative movement in this province has been torn between these conflicting forces and hovering between life and death. The advocates for its existence, correct and logical in their theories, could not point out to many tangible benefits the movement had brought and the cry of the misery which surrounded us immediately was so loud that the voice of logic and reason could not be audible. Those that decried the movement were helped by the facts as they existed, while they did not bother either about the theory or the logic of the movement or the sacrifice made so far for keeping it going. Allow me to quote a few figures from the annual report of the Central Provinces and Berar for 1932-33 :—

"At the close of the year the total number of awards outstanding were 3,321 involving an amount of Rs. 17,03,736 in the Central Provinces and 1,850 involving an amount of Rs. 36,06,898 in Berar. There were 938 societies under liquidation and the amount due from them was Rs. 33,62,103."

This naturally resulted in the properties of the borrower being brought to sale and a movement devised for enabling the peasant to earn a better livelihood seemed

to result in depriving him of the means of it. Up to the 30th June 1933, the banks and societies in Berar alone came to own 17,531 acres of land, and the management of those vast areas of land created fresh problems which have not yet reached solution. The banks themselves could not cultivate these lands and it was not easy to bind either lessees or bataidars to cultivate them.

There is yet another problem to which I must refer here in this connection. The acute economic distress through which we went lent force to the contention that relief to the agriculturist should be given at whosever and whatsoever cost it be and one of the measures the Government were induced to adopt for thus rendering help was to delay the execution of decrees passed against the debtor in the civil courts in usual course. The effect of this was that the short-term debt incurred for raising a crop was spread over a series of years, being made repayable in small instalments and thus was converted into a long-term loan. The loan was outstanding after the crops for which it was raised were gathered, sold and the money spent. The well-defined margin between a short-term loan and a long-term loan was thus perforce made very hazy. This coupled with the mistake that was made in gaining long-term loans out of short-term deposits, to which I referred some time ago, made the margin between the assets and the debts so thin that it became really negligible. Consequently, the insistence of the conference held in 1928 about the necessity of keeping short-term loans for crop purposes, and long-term loans for land improvement lost its real use, significance and meaning. Further, are we sure that we, by any means, took precautions to prevent the debtor from incurring further debts while the process of realising the old debt, which was spread over so many years, was in progress? This had a far-reaching effect, as I shall endeavour to point out a little later on when speaking about the land mortgage banks. At the present moment I must confine myself to the course of events that has led us into the situation in which we find ourselves today. If you have followed the debates on this subject in the Provincial Legislative Council you must have observed that opinion was expressed from some quarters that it was time to think very seriously if the whole edifice of this movement should not be pulled down. This debate, to which I am referring, set me thinking about the situation in a new light, and my studies in this line have made me a confirmed optimist, and I have arrived at the conclusion that not only the co-operative movement must continue to exist, but further, that if any good is to be done to the landlord and the tenant this co-operative movement is the only means of doing it, and we must make every effort to keep the edifice standing and strengthen it. A crisis in the movement which by itself was by no means unsurmountable so synchronised with the misfortune of successive failure of crops and the world depression that during the severe stress we felt we had neither the mind nor the leisure to think out and determine the share of our plight we owed to each of these. Indeed the inter-mixture and, may I say, the inter-dependence of these causes was so complicated that it was not practicable to do so. The only solution and saving lay in firm optimism and faith and reliance in one's power to resist depression. In this perhaps we did not come up to the required level and political capital was allowed to be made out of the situation by responsible men. Let us turn away from this distressing thought. The present circumstances are not going to last for ever, and the future has, I am sure, many blessings in store for us. The acute depression of trade all over the world, the consequent lowering of the prices of the field produce, the reduction of the purchasing power of the cultivator and the consequent depression in trade and his liability to pay his dues, the reduction in the value of his assets and the swelling up of debts and the thinning of the margin between the short and long-term loans coupled with the unconscious mistakes, the responsibility for which we may not deny and the consequences of which we may not shirk, all these have brought us to where we find ourselves to-day. All this has to be faced with courage and optimism and dealt with with a firm attitude.

Refusal to face the problem, or the adoption of temporary palliatives, is not going to help us; about that I am certain. To be deluded with temporary palliatives is one of the effective ways of shutting out from our minds that instinct of penetrating in the future which God gave to man. A deluded mind refuses to realise an impending danger. Refusal to recognise a danger is not the same as avoiding its disastrous consequences. I should much like therefore to put in a word of caution against mere palliatives.

The Government at present is adopting all possible measures to give the needy all the relief that can be given. They have shifted the temporary remedies from the permanent cure, and while they have not been slow in adopting the former they have never lost sight of the latter. The Government has now decided to accept the advice of the Conference of the office-bearers of Berar banks and to allow the reserve fund to be utilized for writing off bad debts.

Land mortgage banks, if judiciously used, will, I consider, be of great use in relieving the present distress. The problem, however, is not so simple as it looks to a casual observer or at first sight. I quote from the latest resolution of the Government of India on this subject: ".....the essential problem in connection with such institutions in India lies in the realization of their security—land.....Conditions in this respect vary greatly from province to province, and the representatives of several provinces were quite definite in their opinion that the dangers of tampering with the land laws and increasing the facilities for the alienation of land were so great as to outweigh the advantages for improving the character of the security on which credit could be obtained. Whatever the possibilities of future development may be, it is clear that, in view of these opinions and the differences in conditions, the responsibility for policy as regard establishing land mortgage banks must rest with the provincial Governments....It is for the provincial Governments to face the fundamental issue, and to decide, if they desire to have such institution, how far it is possible to provide them with a realizable security as a basis for their loans."

Our Government has recognized the steady pressure of public opinion in this respect and have now decided to establish land mortgage banks. Here again, however, I feel it my painful duty to utter a word of caution. I have, a few minutes ago, told you how the margin between the short and long-term loans has been exhausted by the forcible conversion of short-term into long-term loans. The natural and inevitable result of it is that the margin between the assets and debts of the debtors has been considerably narrowed down. Already the margin was so thin that its further diminution has now practically balanced the debts and assets. These cases have ceased to be exceptions—they are now the general rule—and when the land mortgage banks begin to operate, it may be that they will not find their path strewn with roses, because even then they will want a fair margin to be secured between the debts and the assets. It is very essential for the skilful working of the land mortgage banks that there should be thorough co-operation from the borrowers in repayment of the debts borrowed. This really means a well disciplined life and a real recognition of the responsibility to pay back what has been borrowed and a sense of ease and gratefulness at being allowed to enjoy certain privileges, not obtainable elsewhere. However regrettable it be, the fact remains that the debtors are not as keen as paying back the debts as they are on receiving them, and we need cultivate a keen moral sense in this respect. I think it will not be out of place to quote here a passage from the report made in January 1929 by a committee appointed by the Co-operative Department. The personnel of this committee was settled in consultation with the Berar Co-operative Institute and the Executive Council of the Central Provinces and Berar Co-operative Federation. Great weight must, therefore, attach to the opinion this committee has expressed. In view of the importance of the opinion and the subject on which it is expressed, I make no apology for the length of the quotation—"Some agriculturists are in a state of hopeless indebtedness, and it is not likely that any measure can save their lands in the long run. Even in the case of those whose indebtedness is not excessive, relief from debts will not by itself improve their economic condition. If the advantage from a land mortgage bank is to be permanent and not merely ephemeral, the agriculturist must regularly pay the annual instalment out of his income, and must also determine to live within his earnings. He must take steps to improve his methods of cultivation; he must curtail to the greatest extent possible his expenses on unproductive objects, e. g. social ceremonies, litigation and the like; he must learn to save in good years, and in general he must practise thrift and develop prudence and self-restraint. If he does not do this, he will either commit default and his land, which is his most precious possession, will have to be sold, or he will meet his obligations to the land mortgage bank by borrowing from outside, and he will incur fresh debts for unproductive expenditure. In such circumstances, the object of a land mortgage bank will be frustrated, for after a certain period the agriculturist, whose indebtedness was redeemed, will again have unproductive debts outstanding against him. Credit can only be beneficial to those who can make good use of it, and wise spending is more important than borrowing made easy." The land

mortgage banks will be expected to work and advance loans within certain well-defined margins, and though they may start by extending their help to small and medium cultivators their scope in time may enlarge and, things going well, it should be found possible to put it within their means to help large proprietors and give fairly large loans.

The Debt Conciliation Act is now in force and the experiments so far made have given room for argument on either side. I am afraid we are not yet in a position to call it a decided success so far as the credit of the cultivator is concerned. I refer to it because it covers co-operative debts and indirectly affects the depositor.

I now lay before you a suggestion for your consideration without expressing my own opinion about it. The suggestion has come from quarters competent to express public opinion. The suggestion is that the distrust so far exhibited against the Government should wear out in face of the fact that the co-operative department is a transferred department and, further, that the provincial autonomy should command complete faith in the Ministers to come. It should, therefore, be possible to invest the Registrar with powers which have not hitherto been vested in him. We have tried a kind of democracy in this movement, and we might as well try a benevolent dictatorship to a certain extent for a time and see if we cannot improve upon the things as we find them. We all know that there are societies which persistently refuse to adopt disinterested advice given to them. The societies should be made more efficient by an external pressure exerted on them. For instance, servants who have been found incapable of carrying out their duties and inefficient in administration should be liable to have their licenses cancelled; and it should not be within the competence of an objectionable servant to keep himself in office by gaining favours, strategies or otherwise. The management of a society should be liable to be superseded if they, that is to say, the management, are found to persist in mismanaging their affairs. This is calculated to secure uniformity and discipline. Allow me to bring it to your notice that similar and such like powers have been granted by the Madras legislature, and they are under contemplation of the Bihar and Orissa Government on a recommendation of a popular committee. Of course, these are suggestions, the value of which you may like to determine during the course of your debates.

In the end allow me to say that though the co-operative movement may not seem so far to have fulfilled its high aims, ideal and mission, in co-operation alone lies the salvation of this country, the large population of which consists of cultivators. On the whole I think the movement has a sound heart. Palliatives, however, will not prove to be cures, and if the cultivator is allowed to drift to his doom no other profession or vocation is safe in this country.

R e s o l u t i o n s

The following are among the resolutions passed at the Conference :—

This Conference requests the Provincial Governments to take necessary action either under Section 32 or under Section 46 of the Indian Co-operative Societies Act to enable Co-operative Societies to take shares in the Reserve Bank of India and urges the Co-operative Societies and Banks and individual co-operators to become members of the Reserve Bank by taking prescribed number of shares to qualify themselves to vote at the general meeting of the Bank.

This Conference is of opinion that the provisions of Sections 54 and 55 of the Reserve Bank of India Act for the constitution of an Agricultural Credit Department of the Bank are very unsatisfactory and that the Department should not be merely an agency for advice and consultation but should be a machinery for actually providing agricultural finance to the co-operative banks somewhat on the lines adopted in South Africa, Australia, New Zealand and other countries.

This Conference requests the Standing Committee to draft a Bill indicating the lines on which the Agricultural Credit Department of the Reserve Bank should be established.

This Conference recommends to the Provincial Co-operative Banks and Institutes to interest themselves actively in the organisation of Co-operative Sale Societies for the sale of the produce of the members of affiliated societies, preferably as commission agents.

This Conference urges on the Provincial Government to take action on the following recommendation of the Indian Central Banking Enquiry Committee:

The Government at present is adopting all possible measures to give the needy all the relief that can be given. They have shifted the temporary remedies from the permanent cure, and while they have not been slow in adopting the former they have never lost sight of the latter. The Government has now decided to accept the advice of the Conference of the office-bearers of Berar banks and to allow the reserve fund to be utilized for writing off bad debts.

Land mortgage banks, if judiciously used, will, I consider, be of great use in relieving the present distress. The problem, however, is not so simple as it looks to a casual observer or at first sight. I quote from the latest resolution of the Government of India on this subject: ".....the essential problem in connection with such institutions in India lies in the realization of their security—land.....Conditions in this respect vary greatly from province to province, and the representatives of several provinces were quite definite in their opinion that the dangers of tampering with the land laws and increasing the facilities for the alienation of land were so great as to outweigh the advantages for improving the character of the security on which credit could be obtained. Whatever the possibilities of future development may be, it is clear that, in view of these opinions and the differences in conditions, the responsibility for policy as regard establishing land mortgage banks must rest with the provincial Governments....It is for the provincial Governments to face the fundamental issue, and to decide, if they desire to have such institution, how far it is possible to provide them with a realizable security as a basis for their loans."

Our Government has recognized the steady pressure of public opinion in this respect and have now decided to establish land mortgage banks. Here again, however, I feel it my painful duty to utter a word of caution. I have, a few minutes ago, told you how the margin between the short and long-term loans has been exhausted by the forcible conversion of short-term into long-term loans. The natural and inevitable result of it is that the margin between the assets and debts of the debtors has been considerably narrowed down. Already the margin was so thin that its further diminution has now practically balanced the debts and assets. These cases have ceased to be exceptions—they are now the general rule—and when the land mortgage banks begin to operate, it may be that they will not find their path strewn with roses, because even then they will want a fair margin to be secured between the debts and the assets. It is very essential for the skilful working of the land mortgage banks that there should be thorough co-operation from the borrowers in repayment of the debts borrowed. This really means a well disciplined life and a real recognition of the responsibility to pay back what has been borrowed and a sense of ease and gratefulness at being allowed to enjoy certain privileges, not obtainable elsewhere. Howsoever regrettable it be, the fact remains that the debtors are not as keen as paying back the debts as they are on receiving them, and we need cultivate a keen moral sense in this respect. I think it will not be out of place to quote here a passage from the report made in January 1929 by a committee appointed by the Co-operative Department. The personnel of this committee was settled in consultation with the Berar Co-operative Institute and the Executive Council of the Central Provinces and Berar Co-operative Federation. Great weight must, therefore, attach to the opinion this committee has expressed. In view of the importance of the opinion and the subject on which it is expressed, I make no apology for the length of the quotation—"Some agriculturists are in a state of hopeless indebtedness, and it is not likely that any measure can save their lands in the long run. Even in the case of those whose indebtedness is not excessive, relief from debts will not by itself improve their economic condition. If the advantage from a land mortgage bank is to be permanent and not merely ephemeral, the agriculturist must regularly pay the annual instalment out of his income, and must also determine to live within his earnings. He must take steps to improve his methods of cultivation; he must curtail to the greatest extent possible his expenses on unproductive objects, e. g. social ceremonies, litigation and the like; he must learn to save in good years, and in general he must practise thrift and develop prudence and self-restraint. If he does not do this, he will either commit default and his land, which is his most precious possession, will have to be sold, or he will meet his obligations to the land mortgage bank by borrowing from outside, and he will incur fresh debts for unproductive expenditure. In such circumstances, the object of a land mortgage bank will be frustrated, for after a certain period the agriculturist, whose indebtedness was redeemed, will again have unproductive debts outstanding against him. Credit can only be beneficial to those who can make good use of it, and wise spending is more important than borrowing made easy." The land

mortgage banks will be expected to work and advance loans within certain well-defined margins, and though they may start by extending their help to small and medium cultivators their scope in time may enlarge and, things going well, it should be found possible to put it within their means to help large proprietors and give fairly large loans.

The Debt Conciliation Act is now in force and the experiments so far made have given room for argument on either side. I am afraid we are not yet in a position to call it a decided success so far as the credit of the cultivator is concerned. I refer to it because it covers co-operative debts and indirectly affects the depositor.

I now lay before you a suggestion for your consideration without expressing my own opinion about it. The suggestion has come from quarters competent to express public opinion. The suggestion is that the distrust so far exhibited against the Government should wear out in face of the fact that the co-operative department is a transferred department and, further, that the provincial autonomy should command complete faith in the Ministers to come. It should, therefore, be possible to invest the Registrar with powers which have not hitherto been vested in him. We have tried a kind of democracy in this movement, and we might as well try a benevolent dictatorship to a certain extent for a time and see if we cannot improve upon the things as we find them. We all know that there are societies which persistently refuse to adopt disinterested advice given to them. The societies should be made more efficient by an external pressure exerted on them. For instance, servants who have been found incapable of carrying out their duties and inefficient in administration should be liable to have their licenses cancelled; and it should not be within the competence of an objectionable servant to keep himself in office by gaining favours, strategies or otherwise. The management of a society should be liable to be superseded if they, that is to say, the management, are found to persist in mismanaging their affairs. This is calculated to secure uniformity and discipline. Allow me to bring it to your notice that similar and such like powers have been granted by the Madras legislature, and they are under contemplation of the Bihar and Orissa Government on a recommendation of a popular committee. Of course, these are suggestions, the value of which you may like to determine during the course of your debates.

In the end allow me to say that though the co-operative movement may not seem so far to have fulfilled its high aims, ideal and mission, in co-operation alone lies the salvation of this country, the large population of which consists of cultivators. On the whole I think the movement has a sound heart. Palliatives, however, will not prove to be cures, and if the cultivator is allowed to drift to his doom no other profession or vocation is safe in this country.

R e s o l u t i o n s

The following are among the resolutions passed at the Conference :—

This Conference requests the Provincial Governments to take necessary action either under Section 32 or under Section 46 of the Indian Co-operative Societies Act to enable Co-operative Societies to take shares in the Reserve Bank of India and urges the Co-operative Societies and Banks and individual co-operators to become members of the Reserve Bank by taking prescribed number of shares to qualify themselves to vote at the general meeting of the Bank.

This Conference is of opinion that the provisions of Sections 54 and 55 of the Reserve Bank of India Act for the constitution of an Agricultural Credit Department of the Bank are very unsatisfactory and that the Department should not be merely an agency for advice and consultation but should be a machinery for actually providing agricultural finance to the co-operative banks somewhat on the lines adopted in South Africa, Australia, New Zealand and other countries.

This Conference requests the Standing Committee to draft a Bill indicating the lines on which the Agricultural Credit Department of the Reserve Bank should be established.

This Conference recommends to the Provincial Co-operative Banks and Institutes to interest themselves actively in the organisation of Co-operative Sale Societies for the sale of the produce of the members of affiliated societies, preferably as commission agents.

This Conference urges on the Provincial Government to take action on the following recommendation of the Indian Central Banking Enquiry Committee:

"Provincial Governments should consider the desirability of advancing long term loans at concessional rates of interest to Co-operative Societies to build godowns and centres which provide good markets."

The Conference invites the attention of the Provincial Governments to the scheme of Debt Conciliation recommended by the Indian Central Banking Enquiry Committee in paragraph 91 of their report and urges upon the Government the necessity to introduce suitable legislation to give effect to the same as early as possible.

This Conference is of opinion that while long term credit should be provided by a distinct type of co-operative organisation, viz., land mortgage bank, there should be sufficient co-ordination between such banks and the ordinary rural credit societies to satisfy all the final needs of the agriculturist. This Conference is of opinion that 20 years' period is not sufficiently long to prove economically beneficial to the borrowers and that the maximum period of loans by land mortgage banks may be extended to 40 years. This Conference is of opinion that separate provincial land mortgage banks should be established to finance primary land mortgage banks and that the Provincial Co-operative banks should not be entrusted with this business.

This Conference requests the Provincial Co-operative Banks and institutes to make such an earnest effort to develop subsidiary occupations of the agriculturist and to make suitable arrangements by financing and marketing.

A. I. Co-operative Institutes' Association Conference

A separate session of the third Conference of the All India Co-operative Institutes' Association met at Amraoti on the 25th June 1934, under the presidency of Sir Lallubhai Samaldas, President of the Association. The following are extracts from the Presidential Address :—

At the outset, I would like to convey on my and on your behalf our best thanks to H. E. the Governor of the Central Provinces for his message which takes proper note of the existing crisis that faces the co-operative movement due to various causes, chief amongst them being the slump in the prices of agricultural products. The message hints that one of the reasons for the present unfortunate position of the movement is that it has strayed away from the true principles of cooperation; a similar criticism has been made in other Provinces also, as for instance by the Bombay Re-organization Committee and by the Bihar and Orissa Co-operative Enquiry Committee. Such criticisms should receive serious consideration at our hands and you will all forgive me if I examine this question at some length, and in doing so take up some of your valuable time.

At the time of the introduction of the Co-operative Societies Act in 1904, when officials were appointed to the new posts of Registrars of Co-operative Societies, very few officials or non-officials knew even the 'A. B. C.' of what the Co-operative Movement had been in the West and what good results it had achieved. The local Revenue Officials of the time were apathetic and in some instances even unsympathetic. The soil in which the movement was to be planted was not ready to receive the seed, as illiteracy was and is even now rampant in the villages. The old money-lenders were hostile to the movement as they felt that it would take away their bread from their mouths. The then political leaders thought that this movement was taken in hand by Government to cover the skeleton in the cupboard because they were not prepared to follow the precedent of the Egyptian Agricultural Bank. Add to all these, the varying land tenures from the full peasant proprietary rights in Bombay and Madras to the tenants with none of these rights in Bengal, Bihar and in the United and Central Provinces and you will realize the difficulties that faced the first Registrars in the initial stages of the movement. They had to sow the seed in unprepared soil and nurse the seedling under various adverse circumstances. They had also to create an atmosphere favourable to the growth of the plant. As the seniormost non-official co-operator, I feel justified in saying that

before the slump in prices began the movement was, on the whole, progressing on right lines to the extent that any good movement in our poor and illiterate country could be expected to go. If and when there have been mistakes of omission or commission they are due firstly to the surroundings in which the work had to be carried on, secondly to the desire on the part of officials and non-officials to register as many societies as possible without preliminary propaganda, thirdly to Governments expressing their approval of such action and lastly to the mistaken ideals of some of the co-operators both officials and non-officials. Speaking for myself, I acknowledge that I did not realize till very late that the illiteracy of the masses would prove such a very great handicap to the progress of the movement on correct lines. But even when I and many others realized this fact, we were not able to render any material help, as the task of removing illiteracy of the masses is too big for private individuals and must be attended to by the Government of the country. My friend—the late Sir Vithaldas—during the last years of his life turned his attention to educating the members of the co-operative societies and made a handsome donation for the purpose. Successful as the work was within its limited scope, it could not cope with the vast ignorance of some 85 per cent of the village population.

Whilst it was not possible for cooperative institutions to tackle the larger problem of removing mass illiteracy or providing facilities for mass adult education, these institutions have been doing a fairly large amount of work in various provinces for the diffusion of a knowledge of co-operative principles and practice amongst the members of co-operative societies and their officials through schools and training classes. At the last Conference, too, I had stressed the importance of mass education as the main problem confronting the co-operative movement. The importance of the subject and the continued neglect of the same are my only excuse for reiterating that the full success that we desire and earnestly strive for the co-operative movement will not be attained, unless illiteracy is removed, i.e., when illiteracy is wiped out, general knowledge widely diffused, and an intensive programme of adult education in villages is seriously taken in hand. This important and necessary piece of work is the legitimate function of the State which must, at all costs, and without caring for the difficulties that face it, introduce immediately a system of free and compulsory education for the young and also of adult education in rural areas.

The subject of rural reconstruction of which adult education, to my mind, is the most important part was in a way on the agenda of the Registrars' conference at Delhi in January last. They dealt with the question of the place of co-operation in rural reconstruction. That Conference entrusted the work of rural reconstruction to village Panchayats, or in their absence, to better living societies or rural reconstruction societies and at the time said that the staff of the Co-operative Department should be strengthened. There appears to be a fundamental difference in the outlook on rural reconstruction of that Conference and of most of us. Rural reconstruction can not merely mean cleaning of village streets, or having a few lamps in the streets or having a small night school or a medicine chest in each village. It is true that all these amounts are useful in making the lives of the villagers a little more comfortable and cheerful than now, but no plan of such rural reconstruction will succeed unless and until the economic needs of the agriculturists who form the bulk of the village population, such as cheap, adequate and immediate financing, co-operative marketing, irrigation facilities and consolidation of small holdings etc., are satisfied. In my opinion, the improvement of the economic condition of the agriculturists should form the groundwork of all kinds of rural reconstruction activities. It is, therefore, the duty and the basic function of every co-operative society in a village, or every co-operative institution working for rural areas to concentrate on this problem to the best of their abilities.

Another important matter which deserves our earnest consideration is the correlation that should subsist between loans and the repaying capacity of the borrower. The problem of overdues is like a grim spectre hanging with outstretched hands over the whole co-operative fabric that has been so laboriously built up during the last thirty years and no efforts at conquering this spectre will succeed until the Provincial Governments realise their duty to the agriculturists and make an earnest effort with determination to drive away the spectre by the help not of lip sympathy but of hard cash. Almost all national governments have adopted

special measures to assist the co-operative movement and the agricultural population to tide over the existing temporary difficulties and we have every right to expect our Ministers and Governments to do the same.

The movement in its early stages confined its activities mainly to the formation, registration and auditing of rural credit societies. Looking to the heavy indebtedness of agriculturists and their financial requirements for agricultural operations, both official and non-official workers were fully justified in concentrating their attention on providing credit facilities to the agriculturists. Later on, urban credit societies began to grow up and thereafter the work of starting non-credit societies both in rural and urban areas was undertaken. It was only in recent times that the attention of co-operators was directed to the formation of purchase sale societies and a few producers' societies. The repaying capacity of an agriculturist depends upon the reduction in the cost of production, upon an increase in the production and upon obtaining better prices for crops produced. We have been able by our co-operative credit organisation to enable the agriculturist to save a decent sum by way of reduction in interest which he would have otherwise had to pay to the Sowcar for his loan. Similarly, by the starting of sale societies in certain areas, the movement has tried to help the agriculturists to get a better price for his products than he would have realised if he sold his crops individually. In the cotton tracts of Gujarat and the Karnatak in the Bombay Presidency good and satisfactory results have been achieved; and there is no reason why such efforts should not be made to extend this extremely important side of the co-operative movement in other parts of the country.

Whilst one cannot deny that the organisation of co-operative marketing is likely to meet with considerable difficulties and is liable to risks and losses, yet if we are genuinely convinced that the economic regeneration of the agriculturists depends as much on the development of co-operative marketing as on the co-operative organisation of credit, we need not be daunted by the dangers and difficulties ahead but should make up our minds to create or help to create the conditions necessary for the success of the sale movement. Why cannot we, officials and non-officials, then similarly join hands and work with a will to inaugurate a chain of co-operative sale societies federated to central purchase and sale societies in the Presidency towns? It is, however, gratifying to learn that Government have, after all, realised the extreme urgency of the question, as evidenced in a recent resolution on the subject in which they refer to the great marketing drive which they propose to organise and towards the achievement of whose success they have appointed a Central Marketing Officer. Probably, this step will be followed by the appointment of Provincial Marketing Officers for the purpose of making a consolidated effort to improve the organisation of the marketing of agricultural produce all over the country. We, as co-operators, should come forward to participate in this most important work and should be prepared to offer our assistance to the new marketing organisation.

Whilst this movement has done useful work, as regards providing adequate and timely financial facilities at a reasonably low rate of interest to agriculturists and small industrialists like weavers, metal workers, tanners, sandal-wood workers and others and has also helped in the formation of sale and purchase societies and co-operative stores, practically nothing has been done till now to organise producers' societies on a large scale. The time has come when we should turn our attention to this side of co-operation, for it is more important that the agriculturist should get greater and better returns from his land than that he should merely save money in interest charges or get a slightly higher price for his marketed crops. In this connection, I may briefly refer to the necessity of our paying attention to the subject of subsidiary cottage industries which could be beneficially worked on a co-operative basis. It is not very difficult to provide facilities to villages for carrying on their subsidiary occupations and facilitating the sale of their products. Assistance for technical improvements may be sought from the Departments of Industries and the Department will, I feel confident, be perfectly willing to render all possible assistance in the matter. The agricultural industry is not a very paying industry in our country, though crores are engaged in it, and yet the agriculturist maintains himself and his family for 12 months on the profits of the work done by him during 8 or 9 months only. He has a long vacation such as even college professors and high Court Judges might envy, but for the fact that unlike them he does not draw his salary for the period of the vacation. A subsidiary occupation which tends to increase his income is an absolute necessity for the agriculturist in this

country and it is up to us to take up intensive work for the development of subsidiary occupations in rural areas.

The question as to who should conduct the supervision and audit of co-operative societies is perhaps the most important one that needs an early reasoned-out solution. It is not necessary to have a solution which is academically correct and is in accordance with precedents in this or that country. What is needed is a practical scheme for carrying on this work in an efficient manner best suited to local conditions and requirements. It may interest you to learn that a Committee had been recently appointed by the Bombay Government for the purpose of examining the question and recommending the best method of carrying out this very important function of supervision.

Another need of the movement is the systematisation of co-operative education, both Central and Provincial, and the starting of colleges and training institutes and the holding of all-India examinations. The advantages of such systematisation will be obvious to all co-operative workers and it is necessary for me to say anything more than that the Central Banking Enquiry Committee have recognised this necessity. This is the last occasion on which I shall have the privilege of addressing my co-operator friends from this chair. I am getting older every day and am feeling that I am ageing. The Association needs at the helm of its affairs a younger co-operator who can devote more time and energy and clearer brains than an older man with senile decay facing him can do. I want to take this opportunity of thanking you one and all and through you all my co-operator friends, young and old, who have always loyally helped the movement, and who have evinced personal regard and kindness for me, which shall always remain engraved on my heart.

Resolutions.

The resolution of the Government of India on rural economic planning was carefully examined by the Conference and suggestions were made that the contemplated action should mainly be undertaken through co-operative agencies after consultation with the All-India and the Provincial Co-operative Organisations. A seven-year plan for the consolidation and expansion of the movement was decided upon.

The Conference laid considerable stress on the development of subsidiary occupations in rural areas so as to increase the earning capacity of the agriculturists. The Institutes' Conference, like the Banks' Conference, stressed the need for the registration of new societies for marketing and for development of cottage industries. Another resolution was devoted to the spread of co-operative education and the creation of facilities for training the employees of co-operative institutions.

Much interest centred round the resolution dealing with the nature of the official control over the movement. The Hon. Minister of Education, who inaugurated the Conference, invited it to express its opinion on his proposals to strengthen official control over the movement. While the Conference did not pass any resolution in favour of relaxing the existing statutory control, it expressed itself against increasing official control, in other directions, especially in regard to the new powers claimed for the Registrar to appoint and dismiss employees of non-official co-operative organisations and to supersede the managements of central societies. The Conference, however, expressed itself in favour of the Registrar being vested with powers to supersede managements of primary societies at the instance of the supervisory or of the financing organisations concerned and with the concurrence of the financing bank to which the societies are indebted.

Sir *Lallubhai Samaldas*, having retired from the Presidentship of the All-India Co-operative Institutes' Association, the Conference unanimously elected Mr. *V. Ramdas Pantulu* as President of the Institutes' Association also.

The Conference passed a resolution unanimously electing Mr. *V. Ramdas Pantulu* as the delegate to the International Co-operative Congress to be held in London in September to represent the All-India Provincial Co-operative Organisations.

The Indian Insurance Conference

The Indian Insurance Conference met at Lahore on the 3rd. April 1934, *Sir P. C. Roy* presiding. The following are extracts from the address :—

The idea of insurance was not absolutely foreign to the Indian mind. The 'sanni' of Satyapir was a crude system of insurance. Cases were not rare when widows used to retire in holy pilgrimages handing over all their belongings to some rich neighbours on condition of monthly allowance for life. The scientific principles of annuity were, of course, unknown but there is no doubt that these arrangements were bona fide attempts for achieving benefits akin to annuity. Life insurance is really a perfected system of annuity (interest) payments for which families and persons are known to invest, in the hands of large financiers or businessmen, their life savings which cannot find a good investment on account of the smallness of the capital.

The last quarter of the 19th century saw the establishment of regular life insurance offices in India and several such companies were promoted in Bombay. In the wake of the Swadeshi movement a number of insurance offices were inaugurated in Bengal, gradually companies were promoted practically in every part of India. It is during the first decade of this century that Indian offices have really asserted themselves as until recently the non-Indian companies had been in the forefront and the cream of the business passed into their hands. The following table will clearly prove that indigenous offices are making satisfactory progress and have before them a bright future :

Year.	Premium	Life fund.	New Business.
	Income. crores		
1924	2	11½	6½
1928	3½	17¼	15½
1931	4½	22½	17¾

Non-Indian companies, who for long predominated in the field of insurance business, are gradually being pushed in the background and we find that in 1931 their share of new business was about 9 crores, but owing to heavy accumulation of past business their premium income yet stood at 4 crores. These offices are not required to keep any separate account of their Indian business, and so we are not in a position to assess their liabilities in respect of this branch. I do not really understand why Government have not yet found it possible to do anything in compelling non-Indian offices to keep records of, and value separately, their Indian business. Our countrymen who have insured their lives with non-Indian life offices can legitimately demand it, and it is but proper that Government should do the needful.

While in life-insurance Indian companies have gone ahead it is much to be regretted that in respect of non-life business indigenous enterprises are far behind. The net annual premium income of all companies in India under non-life business during 1931 was Rs. two and a half crores of which the Indian companies share was only Rs. three-fifth crore; 122 non-Indian companies coming from the different parts of the world such as America, Great Britain, Europe, Japan and Java are writing non-life business while their Indian rivals in the field number only two scores. There is no denying the fact that the big financial institutions and commercial enterprises being mainly under the control of non-Indians, it is very difficult for us to make any rapid headway in non-life business. But even then I believe that substantial progress may be made in this direction if we join hands together and decide that Swadeshi should be the guiding principle in all our business organisations.

It is a matter of common knowledge that our country is very much under-insured. Perhaps one person in every five hundred holds an insurance policy on his life and the per capita insurance in India is only Rs. 5. In America two out of every three persons hold policies and per capita insurance is Rs. 2,600. I am not

aware of the extent to which properties of Indian businessmen are covered by insurance but there is no doubt that it is very small. That even the educated and well-to-do persons have not as yet realised the utility of insurance in all its branches is evident from the very little amount of motor-insurance. So far as I know, the country boats that ply in the rivers of lower Bengal laden with valuable goods are not insured against storm and other eventualities. Here, it seems to me, lies a big field and our insurance companies will do well to devote attention towards it, before the enterprising businessmen from outside capture it. There are numerous other kinds of insurance which are absolutely unknown in our country such as Health Insurance, Unemployment Insurance, Sickness Insurance, Insurance against loss in business, Insurance against failure in Parliamentary elections, etc. Practically in the modern world there is no risk which is too great or too small to be covered with one or other form of insurance. Only recently we were faced with a calamity of no small magnitude and I would not be erring on the wrong side when I say that perhaps none of the valuable houses, properties or farm lands, in North Bihar were insured against earthquake.

I do not mean to say that all the branches of insurance can be or should be introduced into India immediately. But I am of opinion that experts in the line should encourage and arrange proper investigations and studies in these branches of insurance business with a view to determine their scope and possibilities in our country.

I am not blind to the innumerable difficulties which beset the path of progress of insurance business in this country. Indian companies started their business under the formidable handicap of being late-comers in the field. Still it is better to be late than never. When they appeared in the field, it was already under the control of foreign institutions which were strongly entrenched, and the indigenous enterprises found it extremely difficult to make headway against the competition of those offices whose resources were comparatively enormous. However, patriotic instincts of our countrymen, and their growing desire to buy Indian have rendered considerable help and to their patriotic instincts I appeal again for continued support to the Indian insurance companies so that they may grow in strength and power.

We have to carry on our commercial enterprises under the aegis of an alien Government, who are not and cannot be sympathetic to our ventures, when such sympathies affect the interests of their own people in this country. The existing insurance law cannot save the Indian insurance companies from unfair foreign competition, and even if some of the resourceful insurance institutions of the West resort to dumping insurance business in India for paralysing the existing indigenous enterprises, the Indian Insurance Law will not be able to raise its fingers to save the Indian companies from absolute ruin. Such legislation requires immediate revision and I believe that the time has come when the Government should be approached for taking action in this direction.

Besides these extraneous difficulties, Indian companies have [some internal problems of their own which require to be immediately tackled in order to ensure the progress of business. The progress of our business during the last decade has created wild enthusiasm in certain quarters and have led persons with no knowledge of insurance work to take up management of insurance offices. Experience is an essential necessity in every branch of trade, commerce and industry; it is more so in insurance with its immensely technical nature of business. With the coming into the field of so many insurance companies we are now in need of a large number of trained workers in the line and for that purpose efforts should be made by all well-wishers of Indian insurance to organise suitable centres where people may be educated and trained in insurance. Recently we have started in Bengal an institution (of which I have the honour to be the President) where students are trained for A. I. A. and A. C. I. I. Examinations. I hope similar institutions should also be started in other important cities at an early date.

Insurance journalism has played no mean part in the development of Indian insurance. Insurance being a profession like any other does require constant culture so that the insurance men may qualify themselves to the maximum extent. I can never over-estimate the importance of a first class insurance journal to a man in the profession or to any one interested in insurance. It is a welcome sign that recently some first-class insurance periodicals have been started, who are doing their bit of work in the field.

INDIAN INSURANCE CONFERENCE

[LAHORE—

I have heard that insurance companies are finding it extremely difficult to carry on their business within required scientific limits owing to the influx of a number of workers who often introduce business of very inferior quality in order to obtain some monetary gains for themselves. If immediate attempts are not made to check these evils, the future of the Indian insurance offices will be in jeopardy. So far as life insurance offices are concerned, their material prosperity largely rests in the hands of agents and medical examiners. If they are not sufficiently zealous to protect the interest of the insurance offices, the very scientific principles of business will be affected and companies concerned will run the risk of severe losses. I am told that Indian Life Assurance Offices' Association is trying to set up suitable machineries for detection of unreliable agents and medical examiners. But this Association comprises only a small section of Indian companies and consequently it is unfortunate that all Indian Life Offices cannot contribute to the successful completion of this machinery, nor can they get the advantage thereof.

The boom in Insurance business has brought in its wake a number of persons who try to defraud the insurance offices and wrest money from their hands. Such cases of fraud are frequently found in newspapers. I do not know how this evil can be suppressed, but I think that it can be checked to some extent if there is judicial selection of agents and medical examiners together with proper scrutiny of insurance proposals. In this connection another feature of the insurance business presents itself with great force for our consideration. We have to be very watchful over what takes place when the time for payment of claims arises. Without becoming extra-suspicious or imbued with the spirit of over-cautiousness we must inculcate the habit of scrutinising claims so that no fraud is perpetrated on companies by a large influx of fraudulent claims.

The present financial position of the market has confronted the insurance offices with another baffling problem. The rate of interest which was abnormally high after the close of last World War has now considerably come down. The bank-rate in England is now 2 per cent. while the Indian bank-rate is 3 and half per cent. and 3 and half per cent Government Securities which fetched the price of about Rs. 50 three years back have now gone up to Rs. 87. The net yield on these gilt-edged securities comes to a little over 3 per cent. The rate of interest which is assumed by insurance offices is rather high in comparison with the existing rate and this has rightly set the insurance offices thinking as to other modes of investment. If higher rate of interest cannot be earned, I am afraid insurance offices may find it difficult to continue their high bonuses and perhaps in some cases revision in the rates of premium will be necessary. I do not claim to be able to suggest any solution and my only desire is to invite experts in this line of business to take up the matter immediately for careful consideration.

I have given expression to all the ideas that have occurred to my mind. I have spoken to you as a layman speaking of insurance and my expression of opinions is based on informations that can only reach a chemist dabbling in insurance.

Before I conclude my speech, I wish to emphasise once more that what I have said is purely from the angle of vision of a layman. I frankly confess that I had not paid any serious attention to insurance in my younger days, although I took care to have my life insured for a limited number of years. It is only recently that I have had the romance and utility of Insurance revealed to me. My recent connection with a newly started insurance company at Calcutta has made me a more ardent student of insurance. I have been a student all my life and in the evening of my life, I am very happy to include in my curriculum of studies one more important subject of study for degree in the University of Life.

Not only risks against life and property are covered by insurance but it is also the security of the very foundations of society inasmuch as insurance is social service per excellence. Indians are proverbially improvident and there is no doubt that the institution of insurance has helped a great deal to induce the average Indian to make some provision for uncertainties of the future.

Though I claim no expert knowledge in this direction, still, I venture to say, that insurance companies in other lands are veritable rocks on which the foundations of the industrial concerns are built. Many public utility concerns are able to transact business through the help of funds subscribed by insurance companies. The modern world is based on co-operation. So it is meet that the deserving industrial concerns, whose business is carried on honest lines, should be helped by insurance companies. In this connection I am tempted to quote a few

lines from the speech of our national poet Rabindra Nath, which he delivered while presiding over the Silver Jubilee Celebration of a well-known Indian insurance company. Said he: "I had always felt that the attainment of human welfare and prosperity, in the true sense of these words, by means of mutual aid and co-operative striving was the very essence of civilised life". The most precious wealth that man has attained is the consciousness of his fundamental unity, which is more and more impelling the human world to work together for the service of every individual born in it. This consciousness, which is gradually gaining ground in our economic life, because it represents the highest truth of man, is the only means that can lead to the true wealth of the people, the wealth born of the fruitful meeting of the individual wills. The huge *magatherium* of capitalism with its stupendous tail of bought up workers will naturally become extinct when individual men come to realise that their real well-being can be achieved, not through an exaggeration of their exclusive wealth, but by the associated endeavour of their individualities based on mutual trust and help". I am dreaming of that event, which, I am sure, will gradually materialise and in the not very distant future insurance companies will be able to give the life-blood to many indigenous industrial concerns and thus add immensely to the amount of social service they are already rendering.

Not less encouraging is the fact that insurance companies have incidentally afforded a splendid field to young men who have shown themselves capable of seizing the opportunity that thus came in their way and of filling with credit and efficiency the controlling positions of large and expanding business conceru. The field of insurances is thus a vast training ground for themselves and the generations to come. On a modest estimate at least 5,000 men are employed in the various Indian insurance companies as salaried members of the staff. Besides there are about 50,000 field-workers who are earning a good amount through insurance. Moreover, there are medical examiners, auditors, actuaries, etc., who are also finding insurance as a good source of income. Insurance has played no mean part in encouraging journals and news-papers by widely advertising in them. Indeed many conductors of journals have frankly admitted to me that advertisements from insurance companies are one of the chief sources of their income. Truly, the institutions of insurance business in India has brought about a business habit in many people where it was lacking a few years ago.

Today, when I have journeyed the major portion of my life. I am not a bit sorry to admit that I have taken special fancy for insurance. True it is that ever since my youth I have been lured by the love of my energy in the cause of chemistry. But I am convinced that the secret of the alchemy of life and happiness, security and prosperity lies in insurance.

I do not wish to deal at length on the various useful services rendered by insurance. I am extremely glad to find that our people are getting themselves more and more interested in this important branch of industry. Before concluding, I would like to request you all who have assembled here today and my countrymen at large, with all the emphasis I can command, to take more interest in insurance and to help in the progress and prosperity of indigenous insurance conceru.

Resolutions

The Conference passed the following resolutions on the 4th April 1934 :—

The Conference inter alia opined that while Indian life assurance offices had made great progress, there were still many difficulties under which they were labouring and it was considered that Government should take immediate steps to eliminate competition from foreign companies by making suitable amendments in the existing law in this direction.

The Conference considered that in view of the fact that State Insurance was likely to prejudice and hamper private enterprise, the Postal Insurance Fund should be abolished.

By another resolution, the Conference called on Indian Insurance Companies to use only Swadeshi articles, wherever available.

The Conference resolved that the Indian Life Insurance Act of 1912 was defective and Government should immediately take up its revision with a view to safeguarding the interests of the public as well as the work of Indian Insurance Companies.

The Indo-Japanese Trade Agreement

The following is the record of the proceedings of a meeting between the Japanese and Indian representatives on the 5th January 1934, at the Government of India Secretariat, New Delhi consisting of his Excellency Mr. Setsuzo Sawada, His Imperial Majesty's (Japan) envoy extraordinary and Minister plenipotentiary, Mr. Susumu Terao, Director of the Bureau of foreign Trade department of Commerce and Industry, Mr. Tetsuichiro Miyake, Consul-General for India, and the hon. Sir Joseph Bhore, Member of the Executive Council, Industries and Labour, Govt. of India :—

His Excellency Mr. *Sawada* spoke as follows : I am happy to state that an agreement has been reached between the Japanese and Indian delegations on all important problems relative to the commercial relations between Japan and India including (1) the most favoured nation treatment to be accorded reciprocally to the goods of the two countries, (2) the negotiations to be held concerning the modification of customs duties that may adversely affect the trade interests of the two countries, (3) the measures to be taken to correct the effects of the exchange fluctuation, (4) the duties applicable to the Japanese cotton piecegoods imported into India, (5) the quota to be applicable to such Japanese goods and (6) the enforcement of the present arrangements.

I take the liberty to state my understanding of the agreements of views arrived at between the delegations on these problems which, I trust, will be concurred in by the Indian delegation.

(1) The most favoured nation treatment : In respect of customs duties Japan and India shall reciprocally accord the most favoured nation treatment to any article which is the produce or manufacture of the other country.

(2) Negotiations to be held concerning the modification of customs tariff : Subject to the reservation by both the countries of the right to make such changes in their own interests, Japan and India agree that should any modification of the customs tariff by either country result in the trade interests of the other being adversely affected in any appreciable measure, they shall upon the request of the country so affected enter into negotiations with the object of reconciling as far as possible the interests of the two countries.

(3) Measures to correct the effects of exchange fluctuation : Notwithstanding all other agreements that have been entered into, the Government of India shall have the right of imposing or varying from time to time special rates of customs duty on articles which are the produce or manufacture of Japan other or higher than those levied on similar articles which are the produce or manufacture of any other country at such rate as the Government of India may consider to be necessary to correct the effects of any variation of the exchange value of the yen relative to the rupee subsequent to December 31, 1933. In imposing or varying or on being requested by the Government of Japan to vary such special rates of customs duty the Government of India undertake to give full consideration to relevant factors which tend to raise the export prices of Japanese goods such as the purchase by Japan of raw materials in markets outside Japan and the adjustment of internal Japanese prices and to limit such rates to what is necessary to correct the effects of the depreciation of the exchange value of the yen relative to the rupee on the duty paid value of Japanese goods imported into India. The Government of India further undertake that no change in any such rate shall be made until it has been in force for at least five weeks. Reciprocally, the Government of Japan shall have the right of imposing or varying special rates of customs duties similar to those to which reference has just been made on articles which are the produce or manufacture of India under similar circumstances and subject to similar conditions provided that such right should not accrue to the Government of Japan unless the exchange value of the rupee relative to the yen shall be depreciated below the value of 1732 (?) yen.

(4) Customs duties on Japanese cotton piecegoods imported into India : Without prejudice to the agreements concerning the most favoured nation treatment and the measure to correct the effects of exchange fluctuation the customs duties to be im-

posed by the Government of India on the Japanese cotton piecegoods should not exceed the following rates :—

Duty on plain greys—50 per cent. *ad valorem* or 5 and one fourth annas per pound. Duty on others—50 per cent. *ad valorem*.

It is understood that the Government of India shall not impose on the Japanese cotton piecegoods other than plain greys a specific duty exceeding 5 and one fourth annas per pound subject to the agreement concerning the most favoured nation treatment.

(5) Import of Japanese cotton piecegoods into India: (a) Calculation of the quota of Japanese cotton piecegoods. The quantity of Japanese cotton piecegoods to be exported to India in the period of one year beginning from April 1 shall be limited within a quota which shall be fixed in accordance with the quantity of Indian raw cotton exported to Japan in the period of one year beginning from Jan. 1 of the same year. It is to be noted that the period of one year for the purpose of fixing the quota of Japanese cotton piecegoods (for piecegoods year) shall be from April 1 to March 31 of the following year, while the period of one year for the purpose of calculating the quantity of Indian raw cotton exported to Japan (or cotton year) shall be from Jan. 1 to Dec. 31.

(b) The basic quota and the modification of the basic quota: (i) The basic quota of the Japanese cotton piecegoods to be exported to India in a piecegoods year shall be of three hundred and twenty-five million (325,000,000) yards and it shall be linked with one million (1,000,000) bales of Indian raw cotton exported to Japan in the corresponding cotton year. (ii) In case the export of Indian raw cotton to Japan in any cotton year should fall below one million (1,000,000) bales the quota of Japanese cotton piecegoods for the corresponding piecegoods year shall be determined by reducing the above basic quota at the rate of two million (2,000,000) yards for every ten thousand (10,000) bales of deficit. (iii) In case, however, such export in any cotton year should exceed one million (1,000,000) bales the quota of Japanese cotton piecegoods for the corresponding piecegoods year shall be determined by increasing the above basic quota at the rate of one million and five hundred thousand (1,500,000) yards for every additional ten thousand (10,000) bales, provided that the quota should in no case exceed four hundred million (400,000,000) yards. (iv) In case the export of Indian raw cotton to Japan in any cotton year should exceed one million and five hundred thousand (1,500,000) bales the quantity thus exported in excess of one million and five hundred thousand (1,500,000) bales shall be for the purpose of determining the relevant quota of Japanese cotton piecegoods added to the quantity of raw cotton exported to Japan in the following cotton year. (v) In respect of both the cotton piecegoods and raw cotton re-exported the quantity shall be deducted from the imported quantity.

(c) Two half-yearly instalments of the quota: (i) A piecegoods year shall be divided into two half-yearly periods, the first half-yearly period running from April 1 to Sept. 30 and the second half-yearly period from Oct. 1 to March 31 of the following year. (ii) The quota for the first half-yearly period shall be two hundred million (200,000,000) yards. (iii) The quota for the second half-yearly period shall be provisionally fixed at the quantity which will be derived by deducting two hundred million (200,000,000) yards from the yearly quota calculated on the basis of Indian raw cotton to Japan. In the corresponding cotton year the adjustment of the export of Japanese cotton piecegoods to India shall be made by the end of the said period on the basis of the exact quantity of Indian raw cotton exported to Japan in the corresponding cotton year subject to the rules of the allowances between the periods. (iv) A transfer from the quota of the second half-yearly period shall be permitted up to a maximum of twenty million (20,000,000) yards. From the second half-yearly period to the first half-yearly period of the succeeding piecegoods year and vice versa a transfer up to a maximum of twenty million (20,000,000) yards shall be permitted.

(d) Classification of the quota into categories. The quota of cotton piecegoods shall be classified into the following categories in conformity with the following percentages :—Plain greys: Forty-five per cent (45 p. c.). Bordered greys: Thirteen per cent (13 p. c.). Bleached: Eight per cent (8 p. c.). Coloured and others: 34 per cent (34 p. c.).

The percentage allotted to each of the above categories may be modified subject to the following conditions :—

(1) The increase in the category either of bordered greys or bleached shall not exceed twenty per cent. (20%) of the quantity allotted to that category and the increase in any other category shall not exceed ten per cent. (10%) of the quantity allotted to the category. (ii) The quantity transferable from the category either of bordered greys or bleached shall not exceed twenty per cent. (20%) of the quantity allotted to that category, shall not exceed ten per cent. (10%) of the quantity allotted to that category. (iii) The total quota of cotton piecegoods for any piecegoods year shall not be increased by the above modification of the quantity allotted to each category.

(e) The quota for the period intervening between the enforcement of the arrangement and the commencement of the first piecegoods year. (i) The quota of cotton piecegoods for the period between the date on which the present Indian customs duty on cotton piecegoods will be reduced to 50 per cent, and April 1 on which the first piecegoods year begins to run shall be the proportionate fraction of the quantity that would have been allotted to the whole piecegoods year from April 1, 1933 to March 31, 1934 on the basis of the quantity of Indian raw cotton imported into Japan in the cotton year of 1933 (from Jan. 1 to Dec. 31). (ii) The quota for this period and the first half-yearly instalment of the first piecegoods year quota shall be consolidated into one for the period of approximately 9 months ending at the end of September 1934.

(6) Enforcement of the new agreements : (a) Separation of Burma : It has been agreed upon that the terms of the new treaty shall remain in force throughout its full term, whether or not Burma is separated.

(b) The duration of the new treaty : The treaty shall be signed as soon as possible in London by the respective representatives of the Japanese Government and the British Government. The treaty shall come into effect immediately after the exchange of ratifications and shall remain in force until March 31, 1937.

I have above stated the substance of the agreement of views that has been arrived at between the two delegations in the course of the negotiations since September last and I trust that the Indian delegation are ready to concur that this agreement of views has been reached.

The hon. *Sir Joseph Bhore* replied as follows : 'I have great pleasure in informing your Excellency and your Excellency's colleagues that the Indian delegates find themselves in full agreement with the substance of the statement which has just been made by your Excellency. I would, however, offer the following remark not by way of modification of anything which your Excellency has said but in order to secure the elucidation of a point which might otherwise be ambiguous, and in order to remove an apparent inconsistency I refer to the provision that the allotment for the first part of the cotton piecegoods year shall be 200 million yards in the event of the purchase of raw cotton by Japan, being less than the quantity which would justify a total yearly quota of this amount. I assume that your Excellency agrees that the necessary adjustment should be made from the next year's quota.'

H. E. Mr. Sawada.—I am happy that my statement has been concurred in by the hon. Sir Joseph Bhore. I wish, therefore, to propose that the two delegations proceed immediately to the actual drafting of the new agreement to be formulated upon the basis of the agreement of views that has been reached. I trust that the Indian delegation are ready to accede to the proposition.

The hon. Sir Joseph Bhore.—The Indian delegation agree to the suggestion put forward by your Excellency. The agreement to be drafted will, of course, further include conclusions on minor subsidiary details which still remain to be filled in.

H. E. Mr. Sawada.—According to information just received from my Government the Cotton Spinners' Association of Japan at the committee meeting held at Osaka on Jan. 4 decided to withdraw on Jan. 8, 1934 the resolution concerning the suspension of the purchase of Indian raw cotton.

The hon. Sir Joseph Bhore.—In view of the withdrawal of the resolution referred to by your Excellency and in view of the agreement of views between the two delegations referred to above, the Government of India will reduce the customs duties on Japanese cotton piecegoods imported into India to the rates which have been agreed upon between the two delegations from Jan. 8 the date from which the resolution of the Cotton Spinners' Association of Japan concerning the suspension of the purchase of Indian raw cotton is withdrawn, and will accord the most favoured nation treatment in respect of duties on Japanese cotton piecegoods im-

ported into India from the same date. Such conditions as have been agreed upon between the two delegations will be applied to the imports of Japanese piecegoods into India.

POINTS OF INDO-JAPANESE AGREEMENT

Following is the detailed statement issued by the Commerce Department, Govt. of India, on the 6th. January 1934, on the points on which agreement was reached between the Japanese and Indian Official Trade Delegations at their meeting yesterday :—

(1) Subject to reservation by both countries of the right to make such changes in their customs tariffs as may be necessary for the protection of their own interests, Japan and India agree that should any modification of the Customs tariff by either country result in the trade interests of other country being adversely affected in any appreciable measure, they shall, upon the request of the country so affected, enter into negotiations with the object of reconciling, as far as possible, the trade interests of the two countries.

(2) In respect of customs duties Japan and India shall reciprocally accord most-favoured-nation treatment to any article, produce or manufacture of either country.

(3) Notwithstanding all other arrangements that have been entered into, the Government of India shall have the right of imposing or varying from time to time, special rates of customs duty on articles, produce or manufacture of Japan, other or higher than those levied on similar articles of any other country at such rates as the Government of India may consider necessary to correct the effects of any variation of exchange value of the Yen relative to the Rupee subsequent to December 31, 1933. In imposing, varying or on being requested by the Government of Japan to vary such special rates the Government of India undertake to give full consideration to the relevant factors which tend to raise the export prices of Japanese goods such as purchase by Japan of raw materials in markets outside Japan and adjustment of internal Japanese prices, and to limit such rates to what is necessary to correct the effects of depreciation of the Yen. The Government of India further undertake that no change in any such rate shall be made until it has been in force for at least five weeks. Reciprocally the Government of Japan shall have similar rights against Indian goods if the rupee be depreciated.

(4) Without prejudice to the agreements concerning the most favoured nation treatment and the measures to correct the exchange fluctuations, customs duty to be imposed by the Government of India should not exceed the following rates :—

Duty on plain greys, 50 per cent ad valorem or 5 one-fourth annas per pound. Duty on others—50 per cent ad valorem.

(5) The quantity of Japanese piecegoods to be exported to India in one year beginning from the first of April will be limited within the quota which shall be fixed in accordance with the quantity of Indian raw cotton exported to Japan to one year beginning from the first of January of the same year. The piecegoods year shall be from the first of April to the 31st of March. The cotton year shall be from the first of January to the 31st of December.

The basic quota of the Japanese piecegoods exports shall be 325 million yards linked with one million bales of Indian raw cotton. In case the export of Indian cotton fall below one million bales, the quota of piecegoods shall be determined by reducing the basic quota at the rate of two million yards for every 10,000 bales deficit. A transfer from the quota of the first half-yearly period to the second half-yearly and vice versa shall be permitted upto a maximum of 20 million yards.

The quota of cotton piecegoods shall be classified into plain greys 45 per cent, bordered greys 13 per cent, bleached 8 per cent and coloured and others 34 per cent. The percentage in above categories can be modified.

(6) The terms of the new treaty shall remain in force throughout its full term irrespective of separation of Burma. The treaty shall be signed in London by a representative of each of the Japanese and British Governments. It operates immediately after ratification and holds good until the 31st of March 1937.

His Excellency Setsuko Sawada announced withdrawal of boycott of Indian cotton from January 8 and Sir Joseph Bhore announced reduction of customs duty on Japanese piecegoods.

If the export of cotton in any year exceed one million bales the quota of piece-

goods shall be increased at the rate of 150,0000 yds., for every additional 10,000 bales subject to a maximum of 400 million yards. If the export of cotton exceed 150,0000 bales the quantity thus exported in excess shall be added to the cotton exported the following year. In respect of both piecegoods and cotton re-exported the quantity shall be deducted from the imported quantity.

The piecegoods year shall be divided into two half-yearly periods, the first half-yearly period running from the first of April to the 30th of September and the second from the first of October to the 21st of March of the following year. The quota of the first half-yearly period shall be 200 million yards.

European view on the Agreement

That the Indo-Japanese agreement will tend in the near future to increase the purchasing power of the ryot which will repay the millowner, the yarn spinner and the handloom weaver for the sacrifices they are making today, was the opinion expressed by Mr. J. Ramsay Scott, in the course of a press interview. He said :—

The Indo-Japanese agreement will have world-wide effect, for, it will tend to maintain the peace of the world and lessen the tension which existed between the United Kingdom, her colonies and Japan after the abrogation of the trade treaty. The good feeling which used to exist between the United Kingdom and Japan will now be renewed and its existence is guaranteed for a further period of three years. To obtain this object India has made great sacrifices and I hope that the British empire will remember this as India is qualifying to become shortly a self-governing Dominion within the empire and has shown again that she has the best interests of the empire in general at heart.

In India the agricultural interests such as the cotton growers are now well protected and in getting this agreement through, the industrialist has had to make his sacrifices too. The millowner, the handloom weaver and the spinner have generously abated their claims for adequate and thorough protection in order that the cotton growers may be assured of a ready market for a third of the cotton crop grown in India. The long view has been taken and Government have started on a really constructive policy to increase the prices of one agricultural product. Cotton prices have already risen as the result of this agreement and it is hoped that such an increase will tend in the near future to increase the purchasing power of the ryot which will repay the millowner, the yarn spinner and the handloom weaver for the sacrifices they are making today. In the progress of negotiations the agriculturist and the industrialist were brought into close touch and interests which distrusted each other have come to see each others point of view and are now on the best terms and have come to realise that their interests are identical. Such conferences have been so useful that I think that Government ought to take steps to see that they are continued as yearly conferences and perhaps this could be done through the medium of the Imperial Council of Agricultural Research.

There are, however, many of the minor industries which still feel unhappy and disappointed and although Government in the new Indian Tariff (Amendment) Act of 1934 have definitely stated and acknowledged that they have established a case for protection the assistance which Government has given them is hardly adequate and the country does think that more generous treatment should have been given now, especially so as it has been so long in coming that the bulk of these industries have been badly hit by Japanese competition in the last 18 months. The revenues of the Central Government should benefit very considerably by the increased customs receipts through the new specific duties but if they do so it will show that the protection is inadequate for the industries. I only wish that Japan's own methods of dealing with the subject had been more closely followed for she has realised that protection is required for the expansion of her trade. The Government of India has collected all the information it requires and has all the facts at its disposal. The industries themselves have supplied all such details to Government so that it seems unnecessary to compel such industries as require further protection to go to a Tariff Board, as a Tariff Board is a long and costly procedure both for Government and the industry. The needless delays before Government acts is very galling and calls for immediate reform. I hope that the three years which Government has at its disposal before a new agreement comes up will be used by Government in putting its house in order and in endeavouring to get that close contact and unity of purpose which was so noticeable between the Government of Japan and its commercial interests'.

The Associated Chambers of Commerce

ANNUAL MEETING—CALCUTTA—8th. & 9th. JANUARY 1934

The annual meeting of the Associated Chambers of Commerce was held at Calcutta on the 8th. and 9th. January 1934 under the presidency of Mr. J. H. Henderson who referred to the visits of the Lancashire and Japanese Delegates. As regards the former, he said it was a matter of extreme regret that an agreement which had such far-reaching consequences on the relations between Great Britain and India should be subjected to so much misrepresentation and adverse criticism. He expressed the hope that India might soon have reason to be grateful to those whose goodwill and statesmanship had rendered possible the conclusion of the agreement. He characterised the successful termination of the Indo-Japanese trade negotiations as welcome inauguration of the new year, and hoped the terms agreed upon might prove beneficial to India as a whole, and to cotton-growers and textile industry in particular. Finally, he referred to the evidence of the Chamber's representatives regarding the coming constitutional changes, and said: "Our hopes are now concentrated on the Joint Select Committee's report, and on the Bill in which we confidently hope to find that adequate expression had been given to the able and whole-hearted advocacy by Sir Herbert Carr and the Association's witnesses of the European and Commercial communities' rights in India".

H. E. the Viceroy's Address

The Viceroy, addressing the Associated Chambers, observed :—

The past year has witnessed certain very important developments connected with road and rail communications. Following upon the publication early in the year of the report of the special enquiry which my Government had instituted into the whole position, a conference was convened in Simla in April at which were represented the Government of India, the Local Governments and the various interests concerned. After three days' discussion, the conference was fortunate in being able to arrive at certain recommendations embodied in eight resolutions which were subsequently discussed round the table by my Government and the representatives of the Local Governments. The recommendations of the Conference have since been the subject of correspondence with the Local Governments which is still proceeding. I think, I may say that we have grasped the nature of the difficulties of the problems with which we are faced, and we hope to discover methods for their solution.

It is not, of course, to be expected that these difficult problems which have been exercising almost every civilised country in the world will be immediately and finally solved, or even that the problems themselves will not present different aspects as time goes on. But, whatever the eventual outcome, the Conference has already clearly shown the need for the closest contact and co-operation between the Central and Provincial Governments in administering the whole transport system of the country. If, as I suggested when opening the Congress, that the fact is recognised and acted upon, I believe that we shall be able to evolve a common policy and a co-operative course of action.

CIVIL AVIATION

In a year in which financial stringency has hampered progress in almost every direction, the progress of Civil Aviation in this country has been one of the few bright spots in a somewhat gloomy picture. Until the end of June 1933 there were only two air mail services in India, one between Karachi and Madras operated by Messrs. Tata & Sons, Ltd., and the other between Karachi and Delhi run by the Delhi Flying Club, both of which services have been worked with an efficiency to which, I am glad to have this opportunity of paying a well-merited tribute. When, however, the latter service ceased in July last, the Indian Trans-Continental Airways, in conjunction with the Imperial Airways, inaugurated a weekly service between Karachi

and Calcutta. This service has since been extended to Rangoon and Singapore. From December 1st. the Indian National Airways have duplicated the service on the important and difficult part of the route between Calcutta and Rangoon. The Indian National Airways have also started a daily service between Calcutta and Dacca. This service, the first daily air service in India has, I understand, made a very promising beginning and its progress will, I am sure, be watched with keen interest in this City. Proposals are also under consideration for the extension of Messrs. Tata's Karachi-Madras Air Mail Service to Ceylon, and for the operating for an air mail service between Calcutta and Madras by the Madras Air Taxi Service, a firm which has recently come into being. India has been described very frequently but very truly as a country of vast distances. It is in such a country that the development of speedy communications is of special value in linking up its various parts, in breaking down particularism and by so doing in promoting political and economic development. You may rest assured that my Government realise, to the full, the potentialities of Civil Aviation and will do their best to exploit them as opportunity offers, and when financial conditions improve.

OTTAWA AGREEMENT

It is just over a year since the Legislature gave effect to the Agreement concluded at Ottawa between the representatives of the Government of India and His Majesty's Government in the United Kingdom. It is not yet possible properly to evaluate the benefits that have accrued to the one party or to the other through the grant of mutual preferences. Many economic forces are at work, and it is difficult to estimate the precise effect of any particular factor on variations in trade. This matter, however, will be the subject of special investigation, and in due course a report on the effect of the preferences on the trade between India and the United Kingdom and the Colonies will be placed before the Legislature. For the time being, I content myself with drawing attention to the significance of the Agreement itself marking as it does a new departure in India's tariff policy.

LANCASHIRE DELEGATION'S VISIT

If the Ottawa Agreement was evidence of a new and closer trade relationship between the two Governments concerned, we have lately witnessed an example of negotiation of another kind. I refer to the discussions between the cotton textile industrialists of India and Lancashire. It is inappropriate that I should comment at this juncture upon the merits of the Agreement which has been reached. That Agreement will, in due course, receive the full consideration of my Government, but I may be permitted to express the hope that the visit of the Lancashire Delegation has ushered in a new era in the commercial relationships of India and the United Kingdom. Such personal contracts must inevitably lead to a greater degree of mutual understanding and goodwill between the two countries, which can only be fruitful of results beneficial to both. To those who were responsible for opening this new avenue of approach to the solution of controversial trade problems I offer my congratulations. They have shown a breath of vision, a courage and a spirit of mutual understanding which are specially valuable in these troublous times.

INDO-JAPANESE AGREEMENT

As you are aware, an agreement has been reached on the main points which have been the subject of discussion between the representatives of the Government of India and Japan who are engaged in the negotiation of a new trade agreement between the two countries, and immediate effect has been given effect to some of the most important of these in advance of the formal conclusion and signature of a treaty. I venture to express the hope that the final agreement will generally be regarded as a settlement, fair and equitable to all the parties and interests concerned. In a year that has been remarkable in more ways than one in the commercial history of India, no event has greater significance than the negotiation, by India's own representatives and in India, of an agreement governing her relations with an important Foreign Power. As head of the Government of India, I should like to take this opportunity of paying my tribute of gratitude and appreciation to Sir Joseph Bhore and his two colleagues, Sir Fazl-i-Hussain and Sir Frank Noyce for the successful manner in which they have conducted these negotiations, and for the most satisfactory results that have been obtained.

ECONOMIC ENQUIRY

So far I have been concerned with matters of external policy. I would now refer briefly to a few matters of more purely domestic interest which have a bearing on the commerce of India. You will remember that as a result of the recommendations of the Inchape Committee, the collection and publications of statistics of rail and river-borne trade were abandoned. Experience has shown that a serious lacuna in our knowledge of internal trade movements was thereby created, and some two years ago it was decided to remedy the defect. Financial stringency forbade immediate action, but from the beginning of the present financial year, the collection of statistics of internal trade movement has been revived, and publication will shortly be commenced. It has also been recognised that, if any programme of planned economic advance for India is to be undertaken, it is necessary to have in existence a trained organisation for the analysis and interpretation of economic facts and phenomena. A step has been taken towards the creation of such an organisation by the constitution, at the headquarters of the Government, of a branch of the Department of Commercial Intelligence and Statistics. This Statistical Research Bureau under the Director-General of Commercial Intelligence and Statistics, has been in operation since July last. Besides collating and analysing material for the use of the Indian Delegation in their negotiations with Japan, it has carried the preliminary work in connection with the examination of the effects of the Ottawa Trade Agreement and it has now under preparation the material for a monthly survey of business condition in India.

In order further to improve the statistical material on economic matters we have just invited to India two distinguished economic and statistical experts, Professor Bowley of the London University, and Mr. B. H. Robertson, University Lecturer on Economics at Cambridge. Three Indian economists will be associated with them in their work. Their visit this winter is of a preliminary nature, and may pave the way to further enquiries and possibly to the undertaking of a comprehensive census of production on the lines which have been carried out in England and the United States. It is our intention that this further work, if undertaken, will be entrusted mainly to Indian economists and local organisations. Apart from this possibility for the future, an important and immediate task is to consider not so much the establishment of new machinery and the collection of fresh materials as the devising of better methods for putting together, for the use of ourselves, of the local Governments, and of the public the material which is already collected. Careful and scientific study may not always lead to the spectacular results which are often clamoured for by those who are dissatisfied with present conditions and think that it is in the power of Governments to remedy them, but they are very necessary and are becoming increasingly so as the international economic system of the world is becoming more and more affected by the deliberately planned national economic policies of all countries.

ACCOUNTANCY BOARD

From the first of April 1932, there was constituted by an amendment of the Indian Companies Act, a body entitled the Indian Accountancy Board. The functions of this body, which consists of persons representing the Accountancy profession or having a special knowledge of Accountancy in India, are to advise the Governor-General on all matters of administration relating to Accountancy and to assist him in maintaining the standards of qualification and conduct of persons enrolled on the register of accountants. The Board has just held its second annual meeting, and it may be said that the new scheme for the regulation of the Accountancy profession in India is now well under way. Though control is at present vested in the Governor-General-in-Council, it is too much to hope that, within no long period of time, it will be possible to transfer to the profession itself the task of regulating and maintaining its own standards of professional training, qualifications and conduct, and that the Indian Accountancy Board will take its place on an equality with the older societies and institutions which have in the past raised the Accountancy profession to so eminent a position.

MERCANTILE MARINE

My predecessor, Lord Irwin, in his opening address to your Association in December 1928, referred to the establishment of the training ship "Dufferin" in Bombay, which has for its object the provision of facilities for the training of

Indian boys as officers in the Mercantile Marine. This year the first batch of cadets having completed their sea service presented themselves for their second mate's certificates and I am glad to be able to say that seventeen ex-cadets of the "Dufferin" have succeeded in obtaining that qualification, and that all of them have been provided with employment, and have now embarked on their careers. Ten of these cadets are serving as junior officers with various shipping companies, while the remaining seven have joined the Bengal Pilot Services as leadsmen apprentices. I would like to take this opportunity to acknowledge the assistance given by the shipping companies towards making the scheme of the training ship a success.

OPENING OF VIZAG HARBOUR

As you are no doubt aware, I had the privilege of performing the formal opening ceremony on the 19th December last of the Vizagapatam Harbour. The project for the provision of a fully equipped harbour at Vizagapatam was undertaken some years ago, and as the result of the work of construction which has gone on uninterruptedly since then, the new Harbour was informally opened to traffic on the 7th October 1933. From this date, it was found possible, as a beginning, to admit into the Harbour vessels of a draught not exceeding 26 feet. It is, however, hoped that in the not very distant future, it will be possible to admit vessels of much larger dimensions into the Port. The opening of this Harbour will not only supply a long felt need for a safe anchorage for ocean-going traffic on the east coast of India between Calcutta and Madras, but will assist greatly in the development of a hinterland rich in natural resources by providing for its produce a convenient outlet to the markets of the world.

[ECONOMIC DEPRESSION

Now for a few moments, I wish to turn your attention to financial matters. During the past year, the world economic crisis has continued to dominate the situation and until it abates it is impossible for India—a country whose prosperity depends so largely on the world's demand for its agricultural produce—to make any substantial advance towards prosperity. India was strongly represented at the World Economic Conference in June and July, but as you all know, that Conference failed in its primary object, which was to co-ordinate international action in promoting a recovery in commodity prices. Looking back, we can see that failure to achieve that particular object was inevitable. The new President of the United States of America was beginning one of the widest and boldest attempts at economic reconstruction through monetary action which the world has ever seen and was not in a position to tie his hands by any international agreement, while his abstention made a general agreement impossible. There are also substantial differences of policy between the group of countries linked with sterling and those that still adhere to the gold standard. At the same time, the conference had a valuable indirect result. It brought the world more closely face to face with realities. There are few now who think that the whole trouble is monetary, or that it can be cured by monetary manipulation alone. If the experiment in America is proving anything, it is that the trouble is due to innumerable causes which must be examined and dealt with separately, and that the mass of human transactions and interactions which go to make the web of economic activity are extremely hard to guide or drive into an artificially created prosperity. The sane and businesslike attitude of the British Government and the Bank of England has provided a shelter to those nations which are within the Sterling ground, and has enhanced immeasurably the prestige of Sterling as a rock of stability in an unstable world. It is difficult to contemplate what might have happened to the world if the stability of London as an international banking centre had broken down, or if the example of British adherence to sound methods had not remained as a guide and foundation for confidence. There are signs very definitely in London and even here in India that this policy is meeting its reward. All the reports from London indicate a stronger and more widespread feeling of confidence in the future, this Christmas, than there has been for many years past, and I have no doubt that this will spread to all parts of the Empire. It is not a policy which will produce dramatic results. If hard work and facing the situation with courage, these are the qualities which have led to success in the past, and will so again. As England is the nerve centre of the sterling-using nations, it was the first to feel the depression, and so it is the first to experience the recovery. But even in India there are already signs of improvement. Our balance of trade is definitely

better, that is to say, imports and exports are coming back to their old relationship though both are sadly smaller in quantity owing not only to the fall in the prices of our export staples, but the decrease in the world demand for them. Our budgetary position still needs great care, but we have always preserved such high standards in financial policy, that we have more a margin than most countries to draw upon.

It is wonderful, looking back, that we have been able to stand up to the strain as we have. When trade improves, our revenue position must also necessarily improve and even now there are definite signs of improvement in our great commercial departments—the Rails and the Posts and Telegraphs. But if I speak generally in an optimistic tone, I and my Government do recognise that the prolonged period of depression has put a strain not only on public finance, but on the position of all those who work for their living in India. Their position and especially that of those who are engaged in agriculture on which all our trade and industry depend, must deserve our careful consideration.

RESERVE BANK LEGISLATION

The year which has just closed has been marked by one event of great importance in the financial field. I refer to the passage in the Legislative Assembly of the Reserve Bank legislation. The setting up of an Indian Reserve bank and the transfer by the Government to it of the control of currency will be a step of extreme significance, I doubt if many realise how great a change it implies in the direction of self-government in India. It is a change which we should perhaps not normally have contemplated in a time of such instability as the present, if it had not been a prelude to the constitutional changes. For this reason, in making it, we need the support and co-operation of all sections of the political and business community in India. I am glad to be able to record that till now we have received that co-operation. The members of the Indian Legislature and the representatives of the Banking interests have worked hard, and with a full sense of the public interests. The co-operation between Indians and British residents in India and the subordination of racial jealousies has been a marked and welcome feature throughout the whole of the discussions. Here I would like particularly to thank the Chambers, which you represent, for your constructive and helpful criticism and co-operation in framing our plan, without which it would not have been possible to have placed so well-balanced a measure on the statute book in such a short time. This co-operation of the European Chambers is also a happy augury for the future and I hope that it will be continued to ensure the popularity and stability of the new institution.

Before I conclude I would like to say a few words on the future outlook in its bearing on the interests your Association represents. I have made it a point during my Viceroyalty to keep in close touch with the currents of opinion in the European business community on the Constitutional changes now under discussion by the Joint Select Committee. It has given me the greatest satisfaction to find that your leaders, while insistent upon due recognition of your own interests, have identified themselves with the legitimate political aspirations of their Indian fellow subjects.

Gentlemen, it is my confident opinion that a great and brilliant future lies before this country. India is not at the cross-roads, doubtful and hesitant. She has chosen her path, that of progress, and on it her feet are firmly set. I congratulate you on the wisdom and statesmanship of your attitude in times of rapidly changing conditions. Your Association has a direct and special interest in two particular aspects of the White Paper proposals, namely, the representation of European Commerce in new legislatures, and the provisions on the subject of Commercial Discrimination. You are all aware of the Commercial representation in the legislatures suggested in the appendices of the White Paper. In the proposals designed to secure the special representation of Commerce and Industry in the Provincial Legislatures, the estimated distribution of Commerce seats between Indian and European interests is described, but the composition of the bodies through which election to those seats will be conducted, though in most cases either predominantly European or predominantly Indian, will not be fixed by statute. It is therefore noted that it will not be possible in each province to state with certainty how many Europeans and Indians respectively will be returned in the Federal Legislature. His Majesty's Government have proposed an

important change. At present European Commerce, as such, is represented only in the Council of State. The Indian commercial interests of Madras and Bombay have two seats in the Assembly, but the elected European members of the Assembly are in all cases returned not by special commercial constituencies, but by constituencies formed of members of the European community. The need for the special representation in the Lower House of European Commerce has already made itself felt. It has therefore been our practice for some years past to give one of the nominated seats in the Assembly to a member of your Association. Having regard to this consideration, His Majesty's Government have proposed that the Indian and European Commerce should both be given direct representation in the Federal Assembly. Of the three seats set aside for that purpose, one has been allotted to your Association. The scheme now awaits the recommendation of the Joint Select Committee of Parliament. Without in any way prejudging the view which that committee may take, I draw the attention of your Association to the proposal which will give it the right to return its own elected member to the Federal Legislature, in order to remind you that your claim to direct representation has not passed unheeded.

COMMERCIAL DISCRIMINATION

The appropriate Constitutional provision on the subject of commercial discrimination has proved a thorny and difficult problem. But as its discussion has proceeded, I have discerned, both in the evidence given before the Select Committee and in the recent mention of that subject in the Assembly, a growing tendency, apparent on all sides, to meet the problem in a generous spirit of accommodation in which a most encouraging feature has been the genuine goodwill shown and expressed, a recognition on the British side of Indian sentiment, and a quick response on the Indian side to the interests of British Commerce in the new conditions of the future Constitution. I was struck by the happy phrase used by one of the witnesses of your Association before the Select Committee, when he expressed the hope that the safeguards would be, like a good contract made, put in the safe and never referred to again, since reference is never necessary. All who have the interests of India at heart will share that hope, and all can make their contribution to secure its fulfilment. So much depends on the spirit in which the system is worked. While the new Constitution is being discussed, attention is fixed on the provisions it will contain, but it is the daily contacts of business life that will give their character to your future relations with Indian commerce and its leaders.

Finally, I should like to strike a note of a rather more personal character. I remember very well that, on the eve of my departure from London to India, I was the guest of the Pilgrims Club, and in a speech that I made at that dinner, I remarked that I was going out to India full of hope and confidence to undertake my difficult task and that I felt that I should receive in a full measure the support in my work of all right-thinking and law-abiding citizens in this country. After over two-and-a-half years' experience here during which we have all passed through a period of stress and strain in our varied occupations and interests, I am full of hope and confidence still and my gratitude goes out in full measure to every loyal citizen in this country from the highest to the lowest, for their steadiness and staunchness, and their loyal support of the Government and its officers during these most difficult and trying years. In wishing you all everything of the best during the coming year, my confident hope is that if we go forward with a determination to co-operate together, peace, goodwill and prosperity will soon come to all those who are unitedly working for the welfare of India and her people.

Proceedings and Resolutions

SURCHARGE ON AIR MAIL

Rai Bahadur P. Mukherji (Punjab Chamber) moved the first resolution regarding reduction of surcharges on Air Mail traffic. In the course of his speech, Mr. Mukherji wished that he was wrong but he thought the Government still looked upon the Air Mail as an abnormal and unessential alternative method of conveying mails. He was led to this conclusion by the fact that they charged extra rates for this method of transit to cover the expenses involved, whereas in every other means of transit the mail expense was pooled and averaged. The ordinary postage rates, he suggested, should be ultimately charged and all mails should be given to air carriers where such carriage existed.

Sir Frank Noyce, Industries member, replying, regretted that he could not accept the resolution in its present form. He repudiated the charge that the Government were making money on surcharges. If it was so, he would have been the first to take off surcharges. It was not fair that those who wanted speed, should not have to pay. He expressed the hope that the Punjab Chamber would not insist on using the words "and ultimately eliminate."

Mr. Mulherji accepted the amendment. The resolution was carried as amended.

Mr. T. E. Cunningham (Bombay Chamber) moved a resolution regarding concession rates for commercial documents.

Mr. Cunningham explained that except in very urgent cases, use would not be made of air service for commercial documents as the cost of despatching commercial papers was about one-sixteenth of the cost of an equal weight of letters, whereas the cost of both by air was practically the same.

Replying to Mr. Cunningham, Sir F. Noyce said that at the present moment, he could only express the hope that as air transport further developed it would be possible to reduce the charges. The resolution was carried.

POSTAL INSURANCE FEES

Mr. Sen (Punjab Chamber) moving a resolution regarding reduction of postal insurance fees, regretted that the unanimous view of the Chamber on the question expressed last year, did not find acceptance with the Government, who contended that the public would not be inconvenienced if notes were never cut for remittance by post in view of the facilities for cheap remittances offered by the Government and the Imperial Bank. Mr. Sen examined the Government's attitude and refused their assertion. Considering the paucity of banking institutions in the country the need for development of post office banking was apparent, and by giving the facilities asked for, they would provide every 74 square miles of the country and every 14,039 of the population, now served by a post office, with, if not exactly a bank at any rate, a substitute performing one of the important banking functions.

Replying, on behalf of the Government of India, Sir Frank Noyce said that the system of postal insurance was distinctly an expensive business, so far as the post office was concerned. He promised, however, to get the question examined.

The resolution was put to vote and carried.

INFRINGEMENT OF DESIGNS

Mr. G. J. Winterbotham of the Bombay Chamber of Commerce, moved a resolution on infringement of designs. He said that he had brought forward this resolution again this year, because it was the opinion of his Chamber that it had not been adequately dealt with by the Government of India. In the published proceedings of the last meeting of the Associated Chambers of Commerce, the resolution appeared under the heading 'infringement of designs on piecegoods'. But it was not their proposal that any action taken in pursuance of that resolution should apply only to this class of goods. The reason why piecegoods were particularly mentioned, was that it was in connection with those goods that the most numerous and most flagrant infringements had come to their notice. He submitted that the action proposed by his Chamber could and should be made applicable equally for the protection of registered designs on other goods. The only reply which the Government gave to that resolution passed last year was a letter from the Department of Commerce, in which the Government regretted that they were unable to accept it. His resolution did not contemplate any alteration of the Merchandise Marks law to make compulsory any indication of the country of origin under conditions not already provided by the law. All that they asked last year and this year was that the Customs authorities be given the same power in respect of goods bearing designs which were alleged to be infringements of designs registered by others under the Indian Patents and Designs Act. That power the Customs authorities did not possess at present, and his Chamber was quite unable to see that any real difficulties stood in the way of the power being granted. They only wished the law to provide that goods which were the subject of such complaint, might be detained at ports of entry, pending the complainants proving their case. An adequate safeguard against frivolous complaints could be provided by requiring complainants to lodge substantial deposits with the Customs authorities at the time of filing applications for the detention of goods, such deposits to be liable to forfeiture if the application turned out to be frivolous.

Mr. J. A. Edward Evans (Bengal Chamber), supporting the resolution, referred to a recent case when goods of Japanese origin, being exact copies of British design, had been imported through Calcutta and despatched to Nepal.

Replying, *Sir Frank Noyce* said that he had not enough time to examine the question more fully. Discussion on the subject in the Chamber had thrown considerable light, and he promised further examination of the subject. The resolution was carried.

CONDITIONAL SALES AGREEMENTS

Mr. A. Aikman (Bengal Chamber) moved a resolution on hire purchase or conditional sales agreements. He criticised the Government attitude who adhered to the opinion that there was no inherent defect in the existing law which would justify legislation. He said that in a country, whose people were mostly litigious, he could not but feel it was most unfortunate that the Government should have viewed the problem from one angle. Hire purchase could fill a tremendous need both in social and commercial life, but would not do so, unless the rights of the vendor were properly protected. He asked for a codifying Act setting out and defining the rights of various parties, as well as the effects and limitations of agreements.

Sir Joseph Bhore, replying, said that it was difficult to say anything at the present stage. He promised to fully examine the case, when it would come before him, and would then consider whether in the light of the discussion, it would be possible to modify the Government's attitude. The resolution was carried.

RAILWAY RISK NOTES

Mr. T. E. Cunningham, (Bombay Chamber) moved a resolution on Railway risk notes.

Sir Joseph Bhore, replying, regretted the absence of Sir Guthrie Russel, but promised to bring the Chamber's views to the notice of the Government. He asked the Chamber to await the result of the communication which the Railway Board had made to the different Railway Administrations.

The resolution was kept back on the suggestion of Sir Joseph Bhore until the result of the communication sent by the Railway Board was known.

LETTERS PATENT OF HIGH COURTS

Mr. G. L. Winterbotham (Bombay Chamber) moved a resolution on "Letters Patent of the High Courts of Judicature at Bombay, Calcutta, Madras and Rangoon". He said that a difficulty arose from the fact that different interpretations had been placed on the words "in case of suits for land" in clause 12 of the Letters Patent of the Bombay, Calcutta and Madras High Courts, not only by the various courts, but by the same High Court at various times. It seemed to them extraordinary that where there were conflicting interpretations of the same law not only between the different High Courts, but between different judgments of the same High Court, the Government should not be willing to take steps to remove the confusion. It was hardly less extraordinary that they should take five years to make up their minds. They felt strongly that there should be no further delay in putting an end to the present state of uncertainty. He sincerely trusted that the Government would now be willing to take steps to that end, or if not, they would at least furnish them with an explanation as to their reason for taking no action.

The resolution was carried.

FOOD ADULTERATION

Mr. F. E. James, on behalf of the Coimbatore Chamber, moved a modified resolution on food adulteration. He said that everything, milk, sugar, tea, coffee, perhaps with the exception of whisky and beer, was in some form or other adulterated in this country. His Chamber was particularly interested in tea and coffee. There had been a case in South India where in samples of tea 50 per cent of bran-husk was found. Similar was the case with regard to coffee. He knew there were Food Adulteration Acts, but they were defective also because they did not penalise the man who indulged in adulteration and provide for an adequate fine. He suggested some means for forfeiting and destroying food which contained a large percentage of adulterated stuff. In order that people might realise the provisions of the Act, he also suggested the distribution of pamphlets containing the provisions of the Food Adultera-

tion Act. He suggested that the Commissioner for Public Health, Government of India, should take up the question in consultation with the Local Governments.

The modified resolution was carried. It read as follows: "This Association calls the attention of the Constituent Chambers and the Government of India to the continued and widespread adulteration of food throughout the country, and urges upon them the necessity of pressing upon the Provincial Governments the importance of dealing with this evil, more effectively by means of suitable legislation, adequate administrative action and education of public opinion."

SECOND DAY—CALCUTTA—9th. JANUARY 1934

DUTY ON ADEN SALT

At to-day's meeting of the Associated Chambers of Commerce, Mr. A. R. Leishman (Chittagong) moved a resolution that the duty on Aden salt be increased to the level of the duty now levied on foreign salt. By quoting figures, he showed that Aden salt had a preference over other important salts of Rs. 15-10 per hundred maunds, which was quite sufficient to permit of its predominating the market to the practical exclusion of other imported salts. He contended that Aden salt should be treated as foreign salt, in as much as it was imported into India by ocean steamers. He had been approached by an Indian salt concern who assured him that his Chamber's resolution had the full support of their principals.

Mr. H. S. Biggwith (Karachi) observed that as salt had considerable local interests, and was capable of an output of 250 lakhs of tons per year, naturally, he would like to vote for the motion, but he doubted whether it was possible or desirable to do so. Politically speaking, so long as Aden was under the India Government, to do so would amount to discrimination against a particular section of the indigenous industry—a policy against which the Associated Chambers had set their face. If his doubt could be removed, he would vote for it, otherwise he would abstain from voting.

Replying, Sir George Schuster suggested that as the matter would come up before the Assembly Salt Committee, the mover might put up the matter before it. The Government policy, he believed, had achieved its object, namely, stabilisation of salt prices. The present duty would be in force up to 31st March, and if any change was to be made, the Assembly Salt Committee would recommend what legislation was necessary. He, therefore, promised that he would place before the Committee a copy of the mover's speech. The resolution was withdrawn.

DUTY ON FOREIGN RAW COTTON.

Moving a resolution on the abolition of the import duty on foreign raw cotton Mr. G. L. Winterbotham (Bombay) said that it was generally agreed that the import duty on raw materials required by the industry was unfair in principle, and in this particular case, a definite handicap to the Indian textile industry. The Government argument was that they would need revenue and hence were unable to abolish it. If such was really the case, the Government should find ways and means of obtaining their full share of the revenue derived from this duty by preventing diversion of trade in imported raw cotton to Bhavanagar. The India Government stated, replying to the representation of the Bombay Chamber and the Bombay Mill-owners' Association, that the adoption of their proposals would be fraught with various difficulties of a serious character, but gave no indication of the nature of the difficulties and the obstacles. He trusted that the resolution would be adopted unanimously in order that the Government might be impressed with the urgent necessity of giving this very vital issue a more sympathetic consideration than they had hitherto done.

Mr. J. C. Ryan (Upper India) and Mr. P. C. Mukherjee (Punjab) were unable to support the resolution, as they had to look to the interests of the agriculturists.

Sir George Schuster said that it was a pleasure to him to find the representatives of at least two Chambers speaking against the resolution, which clearly showed that there were two sides of the case. He had convincing evidence to the effect, that the duty had improved the position of long staple cotton, to the use of which Indian mills had given great encouragement. As regards the replacement of the import duty by consumption the idea, though nice, did not appeal to him. As regards the Bhavanagar difficulty, he held that there are other means to deal with it. The suggestion of Mr. Winterbotham, if accepted, would interfere with the

specific provisions regarding most-favoured-nation treatment, a position which the India Government could not accept.

Replying, Mr. Winterbotham said that he was glad to find his industrial friends from Cawnpore, looking to the interests of the cultivators. It was impossible to speak on the resolution with calmness, and he would ask the Finance member to look at the problem from the Bombay point of view. The resolution was withdrawn.

IMPORT DUTY ON SUGAR

Mr. J. W. Goodyear (Bengal Chamber) moved a resolution on the import duty on sugar. He contended that the indigenous industry could not rightly regard itself as entitled to the additional benefit fortuitously given to it by the imposition of the surcharge and that as the surcharge had increased the rate of duty to the point of diminishing returns, the stage had been reached when the removal of the surcharge became a matter of urgent necessity in the financial interest of the country. The case for remission of the surcharge was that it had signally failed to obtain the object for which it was temporarily imposed, namely, an increase in the revenue to the Government from the duty. Failing some relief from the crushing burden of taxation, which it was now bearing, the import sugar trade was faced with extinction.

Mr. S. H. Biggwith (Karachi Chamber), Mr. A. R. Leishman (Chittagong Chamber) Mr. T. E. Cunningham (Bombay Chamber) supported the resolution.

The resolution was opposed by Mr. J. W. Lownie (Upper India Chamber), and Mr. P. H. Guest (Northern India Chamber) on the ground that it would interfere with the consumers' interests.

Sir George Schuster, replying, said that he was unable to make any observation at that stage. Whatever he had to say would be said on the 27th February.

The resolution was carried by a majority.

TAXATION & INCOME-TAX SURCHARGE

Mr. W. M. Browning (Madras Chamber) moved a resolution on the burden of taxation while Mr. J. G. Ryan (Upper India Chamber) moved a resolution on income-tax surcharge.

Mr. Browning observed that in the budget speech for 1933-34 the Finance Member spent considerable time in explaining the reasons for the Government action in restoring half of the cut in pay in connection with which Associated Chambers had strongly protested that they had taken the view that there should be no further restoration of the cut in the pay of the Services until some relief from taxation was also possible. It was clear that unless the revenue position improved, neither course was possible. The purpose of this resolution was to emphasise the point of view which they had made before the Finance Member and to obtain from him an assurance that no new expenditure from the ordinary revenue would be undertaken beyond what was absolutely necessary for carrying on the administration until the required relief could be given.

Mr. J. G. Ryan emphasised that the restoration of the second moiety of the salaries cut, should not be provided for in the coming budget, unless at the same time some substantial relief was given in the matter of income-tax surcharge, which would be shared alike by the Services and the public.

Mr. R. A. Towler (Bengal Chamber) said that they had full admiration for the men in the Services, who were in no way overpaid, and all of them regretted that financial stringency should compel the Government to cut their salaries.

Mr. G. L. Winterbotham said that as far as he could see, there was no justification for the restoration of the cuts in salaries, unless relief was possible in the case of non-officials. He did not believe that the Services as a class would wish to treat the matter as a separate subject concerning themselves.

Mr. F. E. James (Cocanada and Cochin Chambers) said that as far as he could gather, the general opinion was that, having regard to all the circumstances and the financial position of the country, it was unjustifiable to restore the cuts in salaries unless the situation was such as to enable reduction in taxation at the same time. He thought it was not inappropriate to specifically stress the universal feeling among the members of their community, that the situation should not be allowed to be such as to place them in the unfortunate position of having to oppose measure which the Finance Member might have recourse to.

Replying, Sir George Schuster said that the two resolutions were not at all embarrassing. On the contrary, they were put in a form which would strengthen

the Finance Member's hand. He particularly appreciated the moderation of the speeches. As regards the first resolution which was to the effect that no new expenditure should be undertaken by the Government from the general revenue until the emergency surcharges on income-tax and customs duty and the emergency cut in the pay of the Services are removed, Sir George said that it represented the policy of the Government of India. They made it a rule that no new item of expenditure should be admitted unless it was productive. This rule had been rigorously followed. It was a hard struggle to keep down the level of expenditure. There were inevitable expenses like salary bills, which amounted to nearly twenty to thirty lakhs. A new standard had been set up in several of the Government departments, particularly Posts and Telegraphs, where big retrenchment had been effected. As regards the second resolution, the country was getting back to the normal balance of trade. Sir George Schuster concluded by saying that the position required careful watching, and he felt that India's financial position was extremely sound, and they would be able to bridge the gap and land on solid ground.

Both the resolutions were carried unanimously.

EXPORT DUTY ON HIDES AND SKINS

Mr. Miller (Bengal Chamber) moved a resolution on the abolition of the export duty on hides and skins. He said that the first and essential fact was that a trade which twenty years ago was one of India's foremost trade, had year by year diminished in volume, till it had become but a shadow of its former self. He emphasised that one could not explain away the situation by the expression "economic depression". No other country in the world levied an export tax on hides and skin trade, and indeed, one country, namely, South Africa had subsidised this trade by a large bounty. India alone, stood handicapped by its own Government, and under that handicap, a great trade was dying. India had never a monopoly of hide trade, though some twenty years she held a very strong position in that trade. Her position, to-day, was a very weak one. It was obvious no indigenous business was deriving any benefit from the export tax on raw hide, while at the same time, this tax was rapidly killing what was once a great export trade. They believed that the prosperity of India depended very largely on the prosperity of the villages, and here was one type of village, who was rapidly losing his ancestral trade.

Mr. J. Ryan (Upper India Chamber), opposing the resolution, said that the number of shoe-stores in practically every city and town of India was much greater than before the War. He, therefore, maintained that the real reason for the decrease in hides export was not the effect of the duty, but the increased consumption in India. He would almost venture to predict that before many years had passed, India would consume all the hides she could produce. Considering the amount of employment this would afford, he did not consider that the Government should do anything to retard this very desirable consummation.

The resolution was carried by a majority.

LEVY OF TAXES ON TRADES BY LOCAL BODIES

Mr. W. K. M. Langley (Oochin Chamber) moved a resolution on the levy of taxes on professions or trades by local bodies, which ran as follows : "This Association considers that to local body should be empowered to levy a profession or trades tax based primarily on the income of the individual or on the profits on business, on account of the necessity of reserving to the Central Government, the imposition and administration of such taxes : and recommends that the Government of India should conduct an enquiry into the existing provincial legislation, authorising such taxation with a view to its modification or abolition". It was amended by *Mr. Winterbotham* of the Bombay Chamber, by the addition of the following to the original resolution "and calls the attention of the India Government to it and urges that the Government should impress upon the British Government the importance of making provision in the new Constitution for the reservation to the Central Government of this form of taxation".

Mr. F. E. Jones said that perhaps the delegates did not know to what extent this tax could be extended in South India. It was not only dangerous for the future Government, but even at present it was tyrannical.

The amended resolution was adopted.

CARRYING FORWARD OF BUSINESS LOSSES

Mr. J. Reid Kay (Bengal Chamber) moved a resolution on "carrying forward of business losses." The mover said that the Bengal Chamber urged on the Government necessity for recognising the equity of making provision for business losses when computing the income tax. The stumbling block had been exclusively the revenue position, and in this connection they recognised that the Government view point, for the last few years, had not offered much chance for the introduction of a change of this nature. But the outlook for the future was much better. He earnestly asked the Government to give favourable consideration to the resolution.

Sir George Schuster, replying, said that they should consider the present economic depression and also the cost of giving relief of this nature. Did they really think that it was right that a particular class of people should have relief given to them at the expense of the general tax-payers?

The resolution, which urged the Government to permit an assessee to carry forward business losses for a period of three years, was carried.

SURCHARGE ON COAL FREIGHTS

Mr. J. M. Lownie (Upper India Chamber) moving a resolution on the surcharge on coal freights said that to them it seemed as if this fifteen per cent surcharge was the last straw. If it had not had the effect of breaking the back of their industries, it had certainly added to the burden they carried. It was their opinion that the indications were such as to justify the removal of this surcharge, or if its total removal was not possible, at least a reduction. He hoped that the Railway Board would come to a favourable decision, and it would be announced at an early date.

The resolution, amended by the following addition to the original resolution, "the abolition of or any reduction should not involve any increase of the Railway Charges in other directions" was carried.

By a formal resolution, the Chamber put on record its deep sense of appreciation of the services rendered to it by Sir George Schuster, by attending its meeting, and listening to their views.

Calcutta Indian Chamber of Commerce

In the course of his presidential address delivered at the eighth annual general meeting of the Indian Chamber of Commerce, Calcutta, held on the 21st, February 1934, *Mr. Amrital Ojha*, after referring to the salient events of the past year, remarked that "although it is obvious that on balance, 1933 left us in the throes of a depression, it is generally felt that the corner towards prosperity has been turned and the outlook for 1934 is brighter."

"India also shared to some extent in the world improvement during the last year. The export trade of India during the calendar year 1933 went up to Rs. 148 crores as compared with Rs. 138 crores during the year 1932. During the same period the imports have declined to Rs. 126 crores, as compared with Rs. 133 crores during 1932. The export surplus is thus Rs. 22 crores in place of Rs. 4½ crores in 1932. The index number of wholesale prices is more or less stationary; from 88 in December, 1932, and in January, 1933, it has gone up to 89 in December, 1933 and to 90 January, 1934. But with all that the memories of 1933 cannot be characterised as pleasant. We had to witness the passage of the Reserve Bank Bill through the Legislative Assembly in spite of the most strenuous opposition of the commercial community, particularly in regard to the question of the rupee-pound ratio. In spite of there being practically a unanimity of opinion in regard to raising of prices in India as being the most important factor for bringing about an improvement in the economic condition of the people, all attempts at securing higher prices were baffled. The over-valued rupee, as is generally admitted, has been responsible for

most of the economic ills in the country and has very adversely and seriously affected various infant and budding industries of the country.

"Another outstanding matter which affected India was the competition from abroad, particularly from Japan with its depreciated currency which went to assist her various industries. The Japanese competition was so telling that it was necessary to pass the Safeguarding of Industries Act for protecting indigenous industries which were threatened by the import of goods from countries with depreciated currencies. For doing this the trade convention between India and Japan which was three decades old had also to be abrogated. The Indo-Japanese trade negotiations, however, have resulted in the conclusion of a New Agreement which has been generally considered satisfactory and mutually beneficial. Duties on various articles which were being imported from Japan and which were coming into very serious competition with the indigenous products have been increased and generally an attempt has been made to revert to the position of 1931 by imposing requisite additional duties. A large number of industries have thus been afforded protection after considerable and protracted negotiations, and I hope that the Government of India will continue to give them effective protection as long as it is necessary to do so, and will not hesitate to increase it even if circumstances necessitate it. I must need refer in this connection to the very sympathetic interest which the Hon'ble Sir Joseph Bhore has taken in the development of industries in the country. I have no doubt that under his able guidance the Government of India will at all times willingly consider the question of protection to those industries which have been left out, in order that their interests may not suffer. I also trust that the conclusion of the treaty after friendly negotiations will help in maintaining the cordial relationship between India and Japan."

The lecturer then briefly referred to the conditions of a few major industries of the country, e.g., coal, cotton and jute.

Concluding, Mr. Ojha dwelt on the imperative necessity of diverting the pressure of population from land to industries, "as it is absolutely essential that some occupation should be created for the middle class people. There are several industries which are suited to this province and which do not even require much outlay of capital. Along with a policy of affording protection to indigenous industries, I hope the Government of Bengal will also take concerted steps for development of industries, small and big, bearing in mind the goal of self-sufficiency. As I have stated above, the modern trend of thought is towards securing national self-sufficiency and I trust that the Government of India will also endeavour and take suitable action along those lines instead of buying themselves with consideration of measures for improvement in the export trade of the country only. Internal market in India is far greater than the external market and situated as we are, there is no reason why we should not be able to supply a major portion of the requirements of our people. With a little co-operation from the Government and a little help, much can be achieved as can be seen from the instance of the sugar industry which has developed so well that within only two years of the grant of protection to the industry, the country has become self-sufficient in regard to supply of sugar.

The Bengal Chamber of Commerce

Presiding over the annual meeting of the Bengal Chamber of Commerce, held in Calcutta on the 23rd. February 1934, the Hon'ble Mr. J. S. Henderson, after reviewing the year's activities, dealt with the questions relating to the impending constitutional changes, the Reserve Bank of India Bill, the Bihar Earthquake, the Indo-Japan Trade negotiations, the Employers' Federation of India, the Bengal Jute Enquiry Committee's report, matters relating to Income Tax and finally the New Howrah Bridge with the provision of tramway tracks.

Carrying their thoughts back over the past year as regards the general situation and the political horizon, the President said : "I think it will be agreed that Go-

vernment has continued to govern, that political horizon has become clearer, and that the economic situation is brighter and more hopeful to-day than it has been for several years past.

"He would indeed be a bold man who would be prepared to say that the bottom of the financial depression has been reached and that we are now on the high road to prosperity, but I think it can at least be said that the stage has been set for a welcome recovery and that signs are certainly not wanting of a return to better times."

The President thanked members of the Chamber for their ready and substantial response to the recommendation made in regard to contributions to the Mayor's Fund for the relief of the sufferers in the distressed areas in Bihar consequent on the disastrous earthquake and its calamitous results.

Referring to the Reserve Bank of India Bill the President gave the Chamber his assurance as a member of the Joint Select Committee of both Houses and he felt confident that the Bill as finally shaped and passed was a sound measure and one which should be found to work successfully and well.

Speaking on the new Howrah Bridge, he reminded them that the Committee of the Chamber expressed the opinion that provision should be for trans on the new Bridge, seeing that the tramcar had not now regained much of the traffic which was lost to the bus.

Recently revised estimates for a single span bridge were obtained by the Bridge Commissioners from their Consulting Engineers, and it was believed, that if high tensile steel was used, the cost of financing a new bridge of ample width for all future requirements could be financed from the sources of revenue provided under the new Howrah Bridge Act of 1926. These sources of revenue were the taxes on railway goods traffic at Howrah station which now went to the present bridge; taxes on passengers arriving at or departing from Howrah, a tax of $\frac{1}{2}$ per cent, on the annual valuation of lands and buildings in Calcutta; a tax of $\frac{1}{4}$ per cent, on the annual rateable values of holdings within the municipalities of Howrah, Tollygunge and elsewhere; a tax on passengers by the Port Commissioners ferry steamers and a substantial contribution of Rs. 4 lakhs per annum from the Bengal Government. There was also the power under the Act to levy taxes on vehicles.

The Consulting Engineers were now inviting tenders for the construction of the new bridge and the President hoped that the order would be placed for the work of construction to begin sometime in 1935. It was possible that the new bridge would be completed in 1939.

The following office-bearers for the current year were elected: President: Mr. S. D. Gladstone; Vice-President: Sir Edward Bentall, Members: Messrs. H. F. Bateman, G. R. Campbell, R. D. Cromartie, Sir Hugh Hannay, Messrs. J. Reid Kay, C. C. Miller and R. A. Fowler.

The Burma Chamber of Commerce

"We have not attempted to influence the wishes of the people in the country in arriving at any decision in favour of Separation or Federation", said Mr. C. G. Wodehouse, Chairman of the Burma Chamber of Commerce, at the annual meeting of the Chamber held at Rangoon on the 28th February 1934. He also pointed out that if the existing trade relations between Burma and India were not preserved, separation could be effected only at the cost of seriously reducing the material prosperity of Burma and, therefore, he believed that the Joint Parliamentary Committee would be convinced of the necessity of ensuring that any decision to separate must provide for equitable financial settlement. He trusted that the Joint Select Committee would recognise their claim to have 10 per cent of total seats in the coming reforms instead of seven seats. He also dwelt on some aspects of trade, commerce and industry.

"The object of the Government is the same as that of your Chamber, namely, the best interests of Burma and the decision whether the best interests of Burma

lie in Separation or Federation is now in the hands of Parliament", declared H. E. the Governor addressing the Chamber. He added that the work which could hardly be begun until the decision was made must involve questions of trade interests. This work, he stressed, could only be tackled by working together irrespective of the question of Separation or Federation and laying aside ideas of racial hostility. Referring to the conditions and outlook in Burma, he observed that the most serious problem both for the country and the Government was the question of rice. He confessed that he was greatly puzzled regarding the form it would take. He also pointed out the "curious hostility" in a certain section of politicians to Burma Oil interests and made reference to the recent attempt made in the Assembly to deprive Burma of a very small differentiation between excise and import duty, a course which would have most serious effects especially upon the smaller companies. As regards European representation in a new Council, the Governor was convinced that Europeans had a great contribution to make for the welfare of Burma in Council and therefore he did not hold the view that they (European representatives) were a minority political party.

The Bombay Chamber of Commerce

Speaking at the annual general meeting of the Bombay Chamber of Commerce held at Bombay on the 19th. March 1934, H. E. the Governor, Lord Brabourne, referred to the value and the importance of the part played by the European community in the development of India and said he would work in closest co-operation with the business community in Bombay. Dealing with the problem of trade diversion to which the president had devoted a good deal of his speech, His Excellency said that even within the short time he had been in Bombay it had convinced him that it was one of the outstanding questions of the moment. Although it was primarily a question for the Government of India to decide, the Bombay Government had never taken a narrow parochial view of its responsibilities and had always done its utmost to press the claims of Bombay city and Port on the attention of the Government of India. In pursuance of this policy, continued His Excellency, he took special measures before his recent visit to Delhi to obtain all information on the subject, for he should have failed in his duty if he had not taken the fullest advantage of the opportunity to press upon the representatives of the India Government both the dangerous position of Bombay and the feelings aroused thereby among the mercantile community. Because of the difficult nature of the problem and the conflicting interests it involved, His Excellency hoped they would not unduly get disappointed if he was unable to tell them of any immediate results. All he could say was that he had given every possible opportunity of stating his case and he had done his utmost in the matter. As regards the diversion of cotton trade to Mumba he hoped the measures recently announced would be successful and as a result cotton trade would benefit. He expressed his appreciation of the co-operation between the Railways and the Port Trust in this matter. He expressed complete agreement with the President's view on the Mody-Lees Pact as he personally attached the greatest importance to putting business relations between Bombay and Lancashire on a friendly footing. The value of such negotiations went deeper than the immediate terms of the agreement for it had started a new method of negotiations which he hoped would be the beginning of new and a better spirit in business relations between Bombay and Lancashire.

Dealing with the Government of India's budget proposals, His Excellency said, that the Bombay Government agreed with the Chamber's view on the Government of India not giving any share of the additional taxation to Bombay, Bombay had always claimed that she had suffered equally with Bengal from the Meston Settlement. As soon as Sir G. Schuster's budget speech was published, the Bombay Government lost no time in pressing this view once more upon the attention of the Government of India and as he himself happened to be in Delhi while the subject was being discussed in the Assembly, he naturally did what he could to

support Bombay's case by a private discussion with representatives of the Government of India.

His Excellency regretted the tendency in Bengal to take exception to "this very natural desire of ours to do all we could to ensure that Bombay's case did not go by default." Some quarters attributed a sinister significance to his visit to Delhi and even went to the extent of saying it was arranged for a purpose. His Excellency repudiated this suggestion and said the invitation to visit Delhi was extended to him by Lady Willingdon sometime before he had even seen the shores of Bombay. "Our friends in Bengal", added the Governor "need not have disturbed themselves unduly for I am afraid all representations we made to the India Government seem unlikely to obtain for us anything more tangible than an expression of sympathy."

In conclusion, he referred to the Chamber's demand for relief with regard to emergency taxation and said : The presentation of a balanced budget is the first step in establishing financial equilibrium. Even that step which they had hoped they had achieved this year appeared to have been retracted in view of the decision of the Government to abolish the town duty on cotton which meant a loss of ten lakhs. Therefore, until the Government had consolidated its position, he could not commit himself to any indication of the steps which the Government would take.

Southern India Chamber of Commerce

The twenty-fourth annual general body meeting of the Southern India Chamber of Commerce was held on the 21st. March 1934 evening at the Indian Chamber Buildings, North Beach Road, Madras with Mr. *Jamal Mahomed*, president in the chair.

In moving the adoption of report, Mr. *Jamal Mahomed* said *inter alia* :-

All of us know that we are still passing through very difficult times. Commencing from the close of 1929 the whole world has been under a spell of economic chaos and as sure as hopes are entertained at the beginning of a year they are dispelled by the end of it. In this way we have entered upon the fifth year of the depression.

We may see, so far as statistics can show, how much our trade has suffered during the depression. Imports of private merchandise into India declined steadily from Rs. 248.6 crores in 1929 to Rs. 116 crores in 1933, a decline of more than 53 per cent and exports from Rs. 328.9 crores in 1929 to 147.4 crores in 1933, a decline of more than 55 per cent. As between 1932 and 1933 the imports fell from 133.6 to 116 crores and exports increased from 138.3 to 147.4 crores. The visible balance of trade in merchandise declined from 80.3 crores in 1929 to 4.6 crores in 1932 which however has increased to 31.4 crores in 1933. The decline in imports was chiefly contributed amongst other things by cotton yarn and piecegoods, oils, etc., and this decline can give us an idea as to how seriously the purchasing power of the people has been impaired. The only bright feature about the imports is the increase from 9 crores to 11 crores in machinery which shows the limited stimulus given to erection of mills, specially textile and sugar, during the year. The increase in exports is chiefly contributed by raw cotton, jute, linseed and tea. In respect of tea the volume of export was smaller but the betterment was due to higher price resulting from the Export Restriction scheme. Raw cotton prices throughout ruled very low and below American parity and even then the exports did not reach the level of 1931, but would have been much worse if the Japanese boycott had continued. In the case of linseed not only Britain but also France, Italy and other countries increased their taking because of the quality and price being favourable as compared to the Argentine seed.

Imports of merchandise into the Presidency have similarly declined from 27 crores in 1929 to 14.4 crores in 1933, while the exports have declined from 46 crores to 24 and half crores. The decline in both cases is 47 per cent. As between 1932 and 1933, the imports fell from 16.4 crores to 14.4 crores while the exports have

remained at 24 and half crores without reflecting the increase in exports from the rest of India. The agricultural income of this Presidency has been shown by official figures supplied by the Hon'ble the Finance Member at the time of the last Budget to have been reduced from 180 lakhs in 1928-29 to 99 lakhs in 1932-33. Fifty-five percent of our agricultural income is made up by paddy and you can imagine what suffering has been caused to the people of this Presidency by its fall in price by 60 per cent between September 1929 and last March from which position it has slightly recovered now. Passing from paddy to groundnuts, we find that this crop is responsible for at least 20 per cent of our agricultural income and this crop too has deteriorated in value during the last four years by 60 per cent. The condition of this crop is so pathetic that it has to be exported at whatever price it fetches. Similar is the case of our agricultural crops. With a 50 per cent to 60 per cent fall in the income of the people, has there been any reduction in taxation, not to speak of proportionate reduction? Land Revenue has increased in some districts by 18 and three-four per cent at the resettlement in the last two or three years and a 12 and one-half per cent suspension or reduction of tax against that increase and against a fall in price of 60 per cent is a mockery of relief. Other taxes like income-tax and supertax, stamp duties, court fees, registration charges and excise and customs duties remain equally heavy as before but represent in reality at least twice the quantity of goods that they formerly did. One can imagine to what misery the average man is reduced under the present burden of taxation with only less than half his previous income. You know how the mercantile classes are also groaning under this burden of taxation looking forward in vain to obtaining any relief.

The depression is indeed a worldwide one. Joint deliberations by nations have not been wanting. Vital remedies like reduction of tariffs, depreciation of currencies, writing off of war debts and reparations and disarmament, all these have been discussed threadbare, but thanks to mutual suspicions and too exclusive nationalism no international action has yet been decided upon and each nation is left to shift for itself. Individual countries and groups of countries have been trying independent methods at recovery. So far as our country is concerned, the Ottawa agreement came into being and Imperial Preference was given to Great Britain and the Colonies. This has disturbed our relation with other countries, and tariffs have grown up in them against our goods especially in France and Germany. The United States of America have already raised a stiff tariff wall. Japan followed but has just been brought round by negotiations for a new treaty. I am happy that this treaty was discussed in India; and this is the first time in Indian history during British rule that a treaty was discussed in India: but if the Treaty were also to be signed in India it would have added to the value of the innovation. Though the terms might have been better, the treaty has been appreciated by the people as securing economic peace and a workable arrangement with our important Eastern neighbour. India has also entered into an agreement with the silver producing and silver using countries with a view to prop up the value of silver.

The Government can very well carry the silver policy still further for the infinite benefit of this country, such, for example, as by opening the mints for the free coinage of silver. On the contrary, the Government have now gone the wrong way to reduce internal prices of the country's stock of silver accumulated over a long period by lowering the import duty by two and half-annas per ounce in a false hope to promote imports. This is likely to curtail the wealth of the poorest classes in the country. While the idea here is said to be to bring in new silver into the country, the gold that was already in the country has been freely allowed to go out of the country. The attitude of the Government of India in the matter of purchase and sale of gold and silver always remains a mystery and would always remain one of the darkest spots in the history of the present administration. Nothing would have been more natural for a Government to do when it has gone off the gold basis and has no ambition of posing as the world's supplier of gold, than to put at least a duty on the exports of gold even if it cannot see its way to stop the export of gold altogether and keep it within the country for the benefit of the country. But the Government of India seems to be above such sound principles as govern the conduct of other civilised countries and has coolly watched 175 crores worth of gold leaving these shores in the course of the brief period after September, 1931. We have to derive our entire consolation for the drain of this precious metal from the help it gave to the British Government to strengthen their gold reserves and to the Government of India to maintain their pet ratio and obtain plentiful supplies of sterling to

keep the Secretary of State's paraphernalia going. But what is the effect on this country? We have seriously curtailed our credit resources, seriously impaired our purchasing power, and have been comfortably living on our capital by paying for our imports from our accumulated capital and thus crippled ourselves for our future banking, commercial and industrial development.

Going through such important legislation passed since we last met as affect the mercantile community, the place of honour should, of course, be given to the Reserve Bank Act. The public opinion of the country differed violently from the Government on many points in the Bill. Our Committee suggested various amendments in the Bill from a national point of view. But the Government had their own way and got the Bill passed by the Assembly as drafted by themselves in spite of the earnest and strong protests of the country. I must however emphasise here that the most iniquitous clause in the whole Act is that perpetuating the 18d. ratio.

It was pointed out to the Government from all sides of the country how increasingly harmful was the present exchange ratio to the vital interests of the country and how urgent and supremely necessary it was to devalue the rupee suitable for raising the internal price levels and for rehabilitating the purchasing power of the masses. If there was one thing within the power of the Government which would go a great way in picking up the vitality of the country from the miserable depths to which it has fallen, it was the devaluation of the rupee. This the Government refused to do in spite of the earnest and well reasoned importunities of the people. They let slip one more opportunity of giving a supreme satisfaction to the people of the country. We find that the present Budget proposals completely ignore this important question.

Another important legislation during the year was the Safeguarding of Industries Act which was passed as a precautionary measure primarily against Japan. The Government made some amendments in the tariff in pursuance of the statute but since then the relations with Japan were examined at a Conference in greater detail and further tariff changes have been either made or proposed. Some of our smaller industries stand in real danger of extinction if proper protection is not afforded from the onset of countries which have wisely depreciated their currencies. For example, the widespread hosiery establishments, the umbrella factories, the boot and shoe industry and so on stand in need of urgent help. Early notice ought to be taken of our dwindling trade in lungies with the Straits Settlement and other countries. This dwindling is primarily due to the competition of cheap mill-made coloured cloth from Japan. So long as the Government are impervious to the national demand for derating the rupee in pursuance of a policy now followed by every important commercial country, the outcry of industries and other enterprises against such undue competition would never cease to be heard.

In the Provincial Legislature the most important event for us was the passing of the Commercial Crops Marketing Act for the organisation of markets for agricultural products. The Government are entirely mistaken if they think that by restricting the freedom of people to market their crops they are going to enhance the reputation of Indian crops or enrich the ryot. There was widespread opposition to the measure but the Government had it passed. Under the Act the Tirpur cotton market has been recognised but it is feared that the ignorant ryot is put to much inconvenience and loss. No legislation can ultimately succeed if it is unpractical and unpopular.

Coming down to the most recent proposals of the Government of India, one or two of which I have already referred to, we find the same indifference to the growth of indigenous industries, to the crying economic needs of the country and to the great necessity of affording relief from the heavy burden of taxation.

The Sugar industry has hardly had sufficient time to develop itself under the shadow of protection granted to it and the excise duty proposed to be levied on sugar will seriously affect this nascent industry and through it the sugarcane cultivators. Owing to the delayed starting of the cane-sugar industry in this part of the country, the new duty will particularly hit South India. Moreover, another peculiar feature of this province, is the manufacture of sugar from palmyra jaggery; and the making of jaggery is an ancient occupation conducted on cottage industry scale. Even as it is, the jaggery-sugar industry has got its extra difficulties owing to the high cost of jaggery. An excise duty on top of this will seriously check and frustrate the development of this branch of sugar manufacture.

The duty on matches is an unjustifiable encroachment on the future Federal finance and is also an exploitation of the poor man's needs. Moreover, a great portion of the match industry is carried on a small and more or less cottage scale. The imposition and collection of this duty will seriously interfere with and handicap the conduct and development of these small scale factories.

We all sympathise with Bengal and admit that Bengal must and ought to be assisted in her difficulties ; but what we say is that the means for affording such relief should be found in retrenchment and not in additional taxation. Even during ordinary times, public opinion has justly been demanding the reduction of the Government expenditure and during the present times of unprecedented economic depression there is no justification for keeping up the present level of expenditure, least of all for thinking of increasing the burden of taxation which is already very heavy. Speaking of relief, it pains one to see what a mockery of relief is proposed to be given in certain directions. Remissions are proposed to be made where such remissions are, at best, of a doubtful nature or are such as to positively injure the real interests of the country. I have already referred to the reduction in the silver import duty as being not exactly in the interest of India. Another instance in this connection is the abolition of the export duty on raw hides. This question is very important to this province as it concerns the premier industry, the tanning industry, of the Madras Presidency.

The proposal of the abolition of the export duty on raw hides is made in utter disregard of the long and persistent demand of the industry and of the strong general public opinion on the matter. Even during normal times, the industry is hard put to it to maintain its struggle for existence and the competition of foreign interests in the Indian home market of raw materials and in the leather market abroad is too powerful for the industry to develop itself properly. For protecting the industry from this injurious foreign competition and for enabling our raw skins and hides to go out in the tanned form as much as possible rather than in raw form, a sufficiently high export duty on raw skins and hides is necessary. The present 5 per cent. duty does not give adequate protection ; and so the industry has been and is demanding the increase of the duty. But it is deplorable the Government, being influenced by the agitation engineered by the foreign interests, are proposing the abolition of even this small duty so far as raw hides are concerned.

As an excuse for this injurious step, the Hon'ble Sir George Schuster wrongly attributes the extra fall in the exports of raw hides to the export duty, while it is really due to much increased internal consumption of leather articles. He also says that this duty was being retained as a revenue measure. Even so, is the income of the Government so abundant as to forego this source of revenue, however paltry it might be, that too, a revenue that is paid not by the people of this country but by the foreign buyers of our raw hides ? But in reality it was levied as a protective duty as clearly explained by the Hon'ble *Sir George Barnes* in 1919 in the Indian Legislature. Foreign Governments like those of America and Germany through their tariffs favour the imports into their countries of our raw hides and skins as against our tanned stuff and thus help their industries. Due to depression and the extra foreign competition and hardships with which it is surrounded, the indigenous tanning industry is now occupying a very precarious position. It will be very cruel at such a juncture to knock off even the small prop it has, and that too, without even having the question enquired into by the Tariff Board. I earnestly hope that the Government will still think about it, restore and increase the duty and thereby save and strengthen this important industry of the country. It is indeed a good thing that the Government propose to reduce the minimum rate for letters to one anna ; but by having the initial weight at one-half tola, this won't give much advantage to the people, and the weight should therefore be raised at least to one tola. The increase in the book-post rate is undesirable as it means a handicap on the much needed publicity of advertisements and on the dissemination of knowledge.

We were so far engaged with the Government's acts of commission which are mostly contrary to the interests of the country. There are also acts of omission and they are even more injurious to the country.

The commercial and industrial population of the country has been for long pressing for the abolition of Supertax and Surcharge and the reduction of Income tax. But no relief is proposed to be given by the Government in this direction ; even the surcharge is left undisturbed. The commerce and industry of the country have still to go a long way to attain to the level of development achieved by those of the

advanced countries of the world the present level of taxation retards their progress and stunts their growth, particularly so during the present period of depression. It is therefore highly necessary that the Government should give substantial relief in this connection.

I spoke a while ago about the unwillingness of the Government to arrest or check the drain of our hard-earned and long-saved stocks of gold. Another serious instance of omission is that the Budget proposals are quite innocent of even any hints as regards the vital question of exchange ratio. The rupee must be devaluated if at least the further ebbing of the vitality of the country is to be checked. If they won't move in unison with the other big countries which have depreciated their currencies, then what else the Government have done or are going to do for grappling the situation in the country, we don't know. Any way, they can't say that nothing need be done.

The Government would have the position of our country challenge comparison with that of any other country in the world and seem to derive some satisfaction from giving such a challenge. But we know that this position is mainly based on the cheap sterling loans and the export of gold and is not a thing to be so warmly congratulated upon.

Though the Government of India would not adopt such measures as other countries have adopted for fighting the depression in our country, certain signs of hope are apparent in the general atmosphere of things, signs which are due to certain world causes. I said at the outset that hopes which were entertained at the beginning of a year used to be frustrated at the end of the same year. But this time, I think these signs are different and more substantial. The trade of Great Britain is now steadily improving. The persistent continuance of the great activities of America continues to engender hopes of better things. I hope that these signs will hereafter firmly entrench themselves and steadily though gradually expand into the actual drawing of normal times.

The Bihar & Orissa Chamber of Commerce

At the annual meeting of the Bihar and Orissa Chamber of Commerce, which was opened by Hon. Mr. Abdul Aziz, Minister in charge of the Commerce Department, at Patna on the 20th. March 1934, the President Mr. Srinarayan Arora, in a lengthy address reviewed the position of the trade and finance of the country and the province. Referring to the earth-quake damage he said : "The loss to the economic life of the country is incalculable and will take all to make it up. Stocks in hand have been damaged, offices and places of business have been destroyed with all records, and the owners themselves have been in many places killed. The chain of credit has been broken, bringing loss far and wide."

He strongly condemned the levy of the excise duty on sugar and said : "While Government is quick enough to take away what it calls excess and unreasonable profits it remains inactive when questions of helping and developing industry come." Unlike the Roman Emperor who struck off the tallest poppies, their members, he said, cannot wait till the poppies had grown up and his scissors must clip tender plants though they may shrivel up in the operation. The speaker also condemned the excise duty on matches and said the reduction in postal and telegraphic charges was too parsimonious to be of much benefit to any large section of the people. He said that the maximum taxable capacity of the country had been reached and that curtailment of expenditure should be enforced which Government for various reasons were unable to do.

Regarding protection to industries and the enquiries conducted by the Tariff Board the speaker referred to the growing body of public who take the view that the results are not satisfactory and that unfair advantage was being taken by manufacturers and that the consumer is not unoften saddled with an unfair burden and that there is unfair discrimination. He, therefore, suggested that the Tariff Board should be a permanent supervising body over industries and concerns enjoying the

bounty or protection. He complained the Tatas had unfairly used protection given to them. The people of this province, merchants and consumers were unfairly treated by them, that repeated representation had borne no fruit and the results promised had not materialised and the country had been saddled with a larger and larger burden.

RESOLUTIONS

The resolutions adopted condemned the Mody-Lees Pact as not being in the interests of India and urged the Government not to pass the legislation to implement it, condemned the proposed excise duty on sugar, disapproved the policy of keeping in force the system of post office insurances in competition with regular life offices, suggested that before granting protection in any shape to the Tata Steel Industry, Government should insist that the company should sell its products to all at the same rates without allowing any discount, rebate or concession and also that the Company should not export its products to foreign markets at lower rates and that in no case, should the rates of the products exceed the prevailing export prices of such materials. Other resolutions urged that the Railway Board should remove the surcharge on freights, the Government should advance long term loans on easy rates of interest to small merchants and petty shopkeepers whose stock in trade has been completely destroyed by the earthquake, to enable them to start in trade again.

The Northern India Chamber of Commerce

"The Punjab Government have under consideration legislation dealing with rural indebtedness, the question of proving better markets for agricultural produce and the question of railway freights, improvement of the present system of preparing statistics, and the possibility of the Government undertaking with borrowed money schemes of development directly or indirectly remunerative."

This statement was made by the Acting Governor, *Sir Sikandar Hyat Khan*, in the course of his speech at the Annual General Meeting of the Northern India Chamber of Commerce held at Lahore on the 24th. March 1934. The Governor said that these were general measures designed to increase the efficiency of the administration, put money into circulation and put the province in a position to take the best advantage of any natural improvement in the economic situation. They had also on the avil a new Bill dealing with State aid to industries.

The Governor pointed out that from causes outside their control, they had lost markets for their surplus food grains outside India, and they seemed in a fair way to lose many of their markets in India. This had affected their prosperity. His Excellency observed that in the Punjab four out of five persons made their livelihood from land, and he added that the first aim of any Government in the Punjab must be to save agriculture. But he saw in the development of industries support for agriculture.

Sketching the Government's policy the Governor said that the first step should be to maintain and if possible to improve the purchasing power of the people. The Government were attempting, in a modest way, to broaden the basis of taxation. The cumulative effect of this and their other measures would be to leave in the hands of the people more moncy which would help to keep trade going.

LALA RAM SARAN DAS'S ADDRESS

The following are extracts from the speech delivered by the Hon. *Lala Ram Saran Das*, President of the Chamber :—

The past year has, I am sure you will agree, been somewhat less gloomy in the realms of commerce, industry and trade than its predecessors, and it would appear that the very serious depression of the past few years has passed its peak intensity. One of the greatest dangers we have to face now is unbounded optimism, which, if allowed full play, would retard our progress towards economic well-being. If we are to regain to any extent our heritage of prosperity we must face the future in the full knowledge that every step forward will be the result of far-sighted and courageous effort.

Indications of the better times which we look for ahead are contained in the speeches introducing the Budget estimates for 1934-35, but we regret that the financial position of the country has not made it possible to give any relief from the great burden of taxation, which has the effect of reducing more and more the possible trade level. The following figures will illustrate this:—During the year 1923-24 India's balance of trade excluding gold and silver, i. e., the value of exports over imports was Rs. 144 crores, a figure which steadily diminished to Rs. 7 crores in 1931-32, the corresponding Index figure of wholesale prices being reduced from 173 to 91. I understand that for the nine months ending 31st December, 1933 imports into India decreased by 17 per cent and exports by India increased by 12 per cent compared with the corresponding period of 1932. Agricultural income in India during the years 1928-29 to 1931-32 contracted by nearly 50 per cent, the percentage being slightly higher in the Punjab. The volume of taxation, extracted from agriculture and trade, has remained at approximately the same level during the past ten years despite the fact that the overseas and land trade, as also the price of agricultural produce, has fallen by approximately fifty per cent.

A great deal of the present taxation was initiated as an emergency measure but we fear that as in the case of super-tax, and surcharges, for instance, the taxation will become permanent. I have mentioned super-tax and would also like to draw your attention to the present exceptionally high rate of income-tax. Even the poorer classes have now been brought in whilst no allowances are made for the maintenance and education of wives and children as is the case in the United Kingdom. Another matter we consider a most unjustifiable burden—business losses in any one year are not allowed to be set off against the profits for any succeeding year or years for income-tax purpose, whilst in the United Kingdom the Board of Inland Revenue make provision for losses to be carried three years forward.

The Budget of the Central Government does not make entirely pleasant reading, as the discerning reader will see that accounts have been balanced only at great cost to India as a whole by the additional taxation imposed, whilst for the coming year still further taxation is contemplated, despite the grant awarded to India by the Capitation Tribunal. In many cases the sources of taxation have become almost atrophied and the operation of the law of diminishing returns is evident on all sides. On the other hand, the Government of India and the Railway Board have taken practically no advantage of the cheapness of money to embark on a bold programme of far-sighted capital expenditure, which would give a much-needed impetus to commerce and industries.

A review of the financial position of the Punjab is less disappointing. In the face of great difficulties and with little increased taxation it has still been found possible to continue capital expenditure on the hydro-electric scheme, to make remissions of land revenue, and then to end the year with a not inconsiderable surplus. At the same time there has been no reduction of taxation in any direction, and I feel that reduced court fees and stamp duties on commercial documents would have been a step in the right direction.

I have just referred to the Mandi Hydro-Electric Scheme, and I would like to touch on the question of the rates charged for the supply of electric energy for power purposes by the undertaking. It would appear that rates are fixed entirely without considering what charge would be an economic one for consumers to pay, I refer here to consumers for industrial purposes. I feel that, for the scheme to be really successful, the Government must approach the question of charges with a more open mind and adopt a far-sighted policy of competition with other forms of motive power of the latest type.

For some years, the Chamber have been urging the setting up of some sort of economic machinery in India. There is already a board of Economic Enquiry for the Punjab, but what appears to be required is a permanent body in each province and a central body to co-ordinate the work of the provincial centres. It would appear that no action is to be taken on the Salter Report, and we now have to await the result of the labours of the economic experts who recently visited India to initiate a comprehensive economic review of India and to advise on an organisation for economic intelligence in the future.

I would like to see a five years industrial programme mapped out for the Punjab, and I trust that Your Excellency's Government will give their consideration to the possibility of inaugurating such a scheme. It is unfortunate that the Department of Industries is handicapped through paucity of funds, and it appears to me

that the way would be paved for a great deal of industrial expansion, were the provincial Departments of Industries endowed with a certain amount of executive power in addition to their responsibilities to enable them to function efficiently, and guide industrial development along the right lines. As at present all the larger question affecting industries, such as tariffs, taxation and railway freights are rigidly controlled by the Central Government, whilst minor taxation such as terminal tax and District Board rates are in the hands of local authorities, who pay little attention to the imperative needs of growing industries. A system of municipal bonded warehouses would also aid the freer development of industries and the cheap distribution of goods. For the same purpose, municipalities should charge no terminal tax on coal machinery and similar industrial requirements. The system I have in mind would not only mean bonded warehouses outside the municipal limits but would also include treating the premises of larger industrial undertakings as bonded warehouses, where it would be an easy matter for the municipality concerned to place one of their terminal tax staff to watch the movement of incoming and outgoing goods.

One of the most important questions before us during the past year was that of unfair competition from other countries due to subsidies, depreciated currencies and other economic factors, and we are glad that Government have recognised the necessity for definite protection of indigenous industries against such competition. The Punjab at present is not a great manufacturing area, but manufacturers go hand in hand without great basic industry of agriculture, and nothing should be allowed to interfere with their already shown development. Take the case of textiles and hosiery goods—this Chamber represents important manufacturing interests in Northern India, and whilst it was agreed that the Indian Tariff (Amendment) Bill provided a certain measure of relief, the Chamber on more than one occasion urged their view that the pressing needs of the indigenous industry were not adequately met. We are grateful for the protection given against the absurdly cheap goods flooding the markets throughout India, but more timely action would have stemmed the flood. The view that such uneconomic competition could only be a passing phenomenon has been proved to be not altogether correct.

However, despite what we may consider to be legitimate grievances, we are guardedly optimistic for the future—indeed it is the will to win through which has brought us thus far on the road to recovery.

The terms of the Anglo-Soviet Trade Agreement are not known to us but we trust the Government will take all necessary steps to see that the export of Punjab produce, especially wheat, is not adversely affected. It would be a tragedy to this province were Soviet wheat given a sheltered market in the United Kingdom.

Another important matter has been the final stages towards the creation of a Reserve Bank, and in that connection I would take the liberty of urging on Your Excellency the need for a branch of the Reserve Bank at Lahore. I trust the Punjab Government have made representations in that connection to the Government of India, as it would undoubtedly prove a financially successful proposition besides filling a definite need for the Punjab and Northern India. The Committee to report on agricultural credit will be sitting soon and I trust the Punjab Government will urge a recommendation that the Reserve Bank be empowered to give long term loans for commercial, industrial and agricultural purposes.

The unemployment problem is acute in the Punjab. The University and Schools are turning out thousands of young men every year with little prospect before them of earning a bare living, although that excellent institution, the Hailey College of Commerce, and the Commercial Schools are doing their best. I feel that Government Departments and the Railways do not offer sufficient encouragement to Bachelors of Commerce from the Hailey College of Commerce and Engineering students from the MacLagan Engineering College. There should be many openings for the class of young men I have just referred to and I hope the question will receive constant attention. Unfortunately the undercurrent of antagonism between urban and rural interests is very real, and until it can be broken down it is useless to expect agriculture to absorb many of the unemployed—rather the tendency is in the opposite direction. I believe that with a certain amount of help and encouragement from Government an ever-increasing number of the unemployed would take up small scale industries. The potential field is vast and I trust everything possible will be done to encourage the movement on the right lines.

There is great scope for the Co-operative Movement in the Punjab, but so far as the Co-operative Banks are concerned, I would urge that only persons who have

adequate qualifications, such as graduates from the Hailey College of Commerce, and similar institutions, with some practical experience, be engaged.

Despite the recommendation of the Civil Justice Committee that suitable members of the judiciary should be given practical training in mercantile law and procedure, I understand only two officers were so trained. I am afraid we still retain our grievances in connection with the tardy disposal by the Court of commercial suits, and I trust Your Excellency's Government sympathise with our views. The present economic depression makes it most difficult for the mercantile community to resort to appeals and we have before expressed the opinion that the creation of an original side to the High Court would aid in meeting modern requirements for speedy settlement of commercial suits. Here, again, however, owing to the exceptionally long time which is often taken by the High Court in the disposal of cases, due apparently to the increase and complexity of criminal and civil suits, the needs of commerce are not fully met, and I trust it will be found possible to still further increase the number of additional Judges in order to ensure that commercial suits suffer no undue delay. Before I pass on to other matters, I would like to mention a further cause of delay. I refer to the frequent transfer of the Senior Sub-Judge at Lahore, which often causes great inconvenience to firms with suits pending in the Court.

The outlook for agriculture during the past year, although none too bright, was better than in 1932. As business people we are of course deeply concerned in the prosperity of the agriculturist, and agricultural produce will continue to receive the constant attention of the Government. Much as I would like to, I am unable this afternoon to do more than merely mention this important matter on which the whole future prosperity of the Punjab rests. I do feel however that if it is not found possible to raise prices to any appreciable extent, there should be a reasonable proportional reduction in land revenue and canal water rates. Although the price of agricultural produce has fallen by over 50 per cent the revenue realised from Agriculturists in 1931-32 is only about 6 per cent less than Land Revenue in 1923-24. The position in 1932-33 is estimated to be 9 per cent worse.

I understand Your Excellency's Government have under consideration a scheme for rural broadcasting in the Punjab, which could prove an immense boon in the direction of educating the ryot as to markets and prices. I trust that nothing will be allowed to stand in the way of the maturing of the scheme.

A link of importance was recently forged when the Punjab was placed in direct telephone communication with London, and it is trusted that the coming year will see Lahore a terminal of the Imperial Airways system.

To turn to matters of domestic interest, I would like to refer to the representation of this Chamber in the Lahore Municipal Committee. We regret that the Government have not yet found it possible to allot the Chamber a seat on the Committee, to which the Chamber would be allowed to return a representative selected by them. We are unable to see why the important and widespread commercial and industrial interests represented by the Chamber should not be granted the right of selecting their own representative on a body which derives the major portion of their revenue from taxes on trade. Chambers of Commerce and similar associations in other parts of India are given that privilege, and I take this opportunity of again urging that this Chamber should be granted representation on the same lines.

The Chamber have continued to urge the claim of commercial interests in the Punjab for increased representation in the Central and Provincial Legislatures under the proposed new constitution, and we appreciate the consideration and support our views have received from Your Excellency's Government.

The proposal contained in the White Paper under which the representation of Punjab commerce and industries in the Provincial Legislature is reduced, is a retrograde step, and we trust we may look forward to your continued support in our endeavours to have the matter put right. We shall use every endeavour to obtain the representation to which we feel the important interests represented by the Chamber are entitled. There are many other matters to which I would like to draw your attention this afternoon, but I must not keep you longer.

The Federation of Indian Chambers of Commerce and Industry

NEW DELHI—31st. MARCH and 1st. APRIL 1934

One of the best attended sessions of the Federation of Indian Chambers of Commerce and Industry opened at New Delhi on the 31st. March 1934, with Mr. Nalini Ranjan Sircar in the chair. A large number of distinguished visitors were present. Among those present were : Sir R. K. Shanmukham Chetty, Sir D'Arcy Lindsay, Raja Bahadur G. Krishnamachari, Mr. F. E James, Mr. Arthur Moore, Dr. Ziauddin Ahmed, Mr. Amarnath Dutt, Pt. Sen. Mr. Ramsay Scott, Mr. Harbilas Sarda and Mr. S. R. Pandit. No Government member was present.

Presidential Address

The Presidential Address ran to over 50 pages of foolscap folio in which the President covered a wide range of subjects. After a survey of the world situation, the President held that in future it might be that co-ordination of world economy could be based neither on economic internationalism nor economic nationalism but on a number of organic national economies based possibly on trade agreements negotiated separately between various countries.

GOVERNMENT'S FINANCIAL POLICY

The President critically examined the Government of India's policy at great length. He stated that while the economic position of other countries had improved that of India was not encouraging. He severely attacked the Government's financial and economic policy. The Ottawa Agreement only diverted trade and did not give any stimulus to India's exports to Empire countries. The Lancashire agreement did not result in much gain to India. Lancashire had not definitely agreed to do anything. The policy of balancing budgets, Mr. Sarkar proceeding said, at all costs while the country was thereby asked to bear a burden beyond its capacity, was not in accordance with modern conceptions of sound finance. The Government's remittance programme was such as militated against cheap money ratio. The President of the Federation of Chambers claims that if only the Government worked for cheaper money rates and adopted a big borrowing programme, production might have been stimulated by embarking upon useful public works as in the United States and Russia. What was requested was economic planning.

Mr. Sarkar, proceeding, examined the various types of plans. He dismissed the Russian type as opposed to the Indian tradition and philosophy. The State-aided development in Italy, Japan, Turkey and America, all of which had adopted economic planning, appealed to him and he advocated the co-ordination of State assistance and individual initiative.

PLANNED AGRICULTURE AND INDUSTRY

Proceeding Mr. Sarkar suggested economic plans for particular sections of economic life—agriculture, industry, transport, currency and exchange and so on. In regard to agriculture, India, he said, should make herself self-sufficient in respect of food and produce much for export markets as she had to discharge large foreign obligations and reduce them in future. That meant the improvement of the peasant, his education through travelling, demonstrations, lectures, cinema and radio, as education through school will take a long time to be effective. The quality and yield of crop had to be improved, fragmentation of holdings avoided, cultivable waste reclaimed, irrigation extended, balance in production by provision for alternative crops and avoidance of overproduction effected, marketing problems attended to, subsidiary occupation found, rural indebtedness problem solved by rural insolv-

vency, composition of debts and provision of suitable credit machinery and the formation of agricultural associations. In regard to industry, the President called for an industrial survey, a survey of raw materials, exploitation of water power as well as other forms of power and rationalising of coal industry and putting coal to the most economical use, the development of India's capital resources through formation of Investment Trust Companies and industrial banks, cautious use of foreign capital so as to ensure the country's economic freedom, improvement of company law, giving of training to Indians in managerial and technical departments, improvement of condition of labourers and the securing of Governmental assistance in respect of finance, freights, stores purchases and so no.

TRADE

Proceeding, Mr. Sarkar referred to trade, currency, finance and politics. The following are extracts relating to these :

Although foreign trade generally receives greater attention in economic discussions, it is necessary to realise that, as far as India is concerned, her internal trade, like that of America, is of much greater value and importance.

At the outset, I must say that the Government have paid very inadequate attention to the development of internal trade. The fact that they are vitally interested in India's foreign obligations has induced them to pay almost exclusive attention to foreign trade to the neglect of the problem of the expansion of internal trade. This was, perhaps, also due to the fact that the British business community have much larger interests in the foreign trade than in the internal trade of the country.

After stating that lack of finance, trade plan and wrong transport policy which bestowed greater attention on external trade were responsible for neglect of internal trade, he observed :—

It should be fully realised that our internal trade, important as it is even today in volume and value relatively to our external trade, must still be very much more developed. For, Indian industries must grow at a fairly rapid pace and their success would depend largely upon exploiting the internal market to the fullest extent, in other words, upon the development of facility for the movement of goods from one part of the country to another. In our country, happily enough, nature seems to have provided some excellent opportunities for the exchange of commodities between one part of the country and another—that is, for natural division of labour. Jute, Cotton, Oil-seeds, Wheat, Tea, are all grown in fairly well-defined separate regions, and any facilities given for the mutual exchange of these commodities are bound to increase the internal trade of the country. Similarly, the major industries of India like cotton, cement, iron and steel, etc. are located in accordance with the natural advantages possessed by certain areas, and the encouragement given to a wider distribution of their products in India would ultimately increase the volume of internal trade.

What is necessary, therefore, is to plan out the development of internal trade. Its present volume requires careful calculation, and having ascertained this, the scope of its further development should be investigated.

Having decided to expand internal trade, our next attempt should be the removal of the existing obstacles like high freight rates, differential excise duties, etc. and the establishment of conditions conducive to its steady development.

While it is obvious that we should seriously address ourselves to the task of creating conditions for the steady and unhampered development of the internal trade of the country, it is well to remember that we might, at the same time, develop and expand our foreign trade, particularly our exports, in view of the fact that we have heavy annual external obligations to meet. An expanding export surplus is consequently a necessity for India not only to meet our immediate requirements of foreign goods, but also for the purpose of steadily diminishing the volume of our foreign obligations. The growth of our foreign trade during the present century is certainly encouraging but the shrinkage in India's percentage share of world's trade in recent years, which can hardly be explained by the present depression, is a disquieting feature of her foreign trade demanding organised efforts for its redress and improvement. By far the preponderating proportion—not less than two-thirds—of our export trade consist of raw materials and "food, drink and tobacco." It reveals India's predominantly agricultural economy, indicating how any serious diminution in the volume of her exports would react disastrously upon the mass of India's agricultural population.

Another unwelcome feature of India's foreign trade is the preponderating importance of a few countries. England, Germany, France, America and Japan between them account for more than half the total value of India's foreign trade. The danger of thus putting too many eggs into a few baskets should be obvious.

The problems of our foreign trade thus pertain to both the maintenance and expansion of our markets abroad and it requires closer study and the continuous attention of the Government. The volume, the direction, the competition encountered, and the facilities needed—all require careful watching. At the present moment, the functions of the Government of India in this respect cease with the collection and publication of foreign trade figures. There is no organisation whose duty it is to watch the tendencies revealed by these figures and take necessary steps in the national interest. The present Department of Commercial Intelligence is ill-equipped for that purpose, and without any further delay, machinery should be set up conforming to a real Board of Trade. Until such an institution is set up, the planned development of our foreign trade would be almost impossible. This is all the more important in these times when the fiscal and commercial policies of foreign countries are undergoing rapid changes with their inevitable reactions upon our own foreign trade. During the last few years, the development of foreign trade by trade agreements between countries has become a widely accepted method. Nearly every European country of any importance has entered into one or more of these agreements with their customers. The main features of such agreements have been the most-favoured-nation treatment, export, and import quotas or exchange clearing arrangements. They have not only led to the lowering and simplification of tariff barriers between the countries entering into such trade-understandings, but also tended to increase the volume of trade between them, by facilitating the exchange of goods mutually advantageous to them. An approximate approach to such methods was made in the series of Agreements entered into at Ottawa between the various parts of the Empire. While the method is unexceptionable, it must be said that, as far as India is concerned, the actual agreements were hastily concluded with insufficient knowledge and preparation by persons whose greatest handicap was a basic misconception of India's foreign trade position. This has been proved by subsequent events. The Ottawa Agreements were only the starting point for the United Kingdom and other parts of the Empire to enter into a net-work of economic understandings with non-empire countries. England took the lead and concluded a series of carefully planned agreements with a large number of other countries such as Argentina, Germany, Norway and Sweden, while a similar agreement was entered into by Canada with France. So far as India is concerned, the possibilities of evolving such agreements have so far been practically neglected, and this bears an eloquent testimony to the absence of any real trade policy on the part of our Government. The recent Indo-Japanese Agreement makes a departure in this respect but even this Agreement was not, as I have already pointed out, the outcome of a predetermined plan calculated to expand the foreign trade of India. The Bombay-Lancashire Pact is worse than futile, judged by the criterion of trade expansion.

The most important part of a trade plan for India would, in the present circumstances, consist in the negotiation of commercial agreements with her foreign customers on a strictly scientific basis, securing real advantage to the interests of this country. A complete survey of possibilities of such agreements concluded at Ottawa may, in the light of experience, require fundamental alteration in order to serve Indian interests better. The possibility of the greater expansion of India's trade outside the Empire than within it should be kept in view, and mere political affiliations should not be allowed to stand in the way of its realisation.

In view of the increasing complexities of foreign trade and the keener competition experienced by our products abroad, the watchful assistance of Trade Delegation is essential. Without further delay, Trade Commissioners should be appointed in the Far East, the Middle East, East Africa and America. A definite policy should be laid down for developing a really, efficient Consular Service, manned by well-trained and experienced people.

One discouraging feature of India's foreign trade is the small share of Indians in it. Apart from ignorance of foreign conditions and traditional economic conservatism, the absence of an Indian exchange bank is the most serious handicap. There is no dearth of Exchange Banks in India, but they are all foreign institutions and the Indian merchants cannot hope to, and do not, get the same facilities from the British, American or a Japanese gets from the Bank of his own nationality.

Japan realised very early that an exchange bank of her own was necessary for developing her foreign trade and for increasing the share of her own nationals in it. She started an exchange bank fully backed by her Government. I am convinced that, on identical grounds, an Indian exchange bank should be established with adequate assistance from the Government.

TRANSPORT

In a large country like India internal transport is of much greater importance than in a small country. The transport problems of a country of long distances consist mainly in the carriage of goods and passengers quickly, and cheaply, consistent with efficiency. The system and methods of transport now serving India should be tested by this standard, and it would be generally found that they would not come out of the test quite well.

In the machinery, policy and organisation of India's transport there are glaring inconsistencies and anomalies. Nowhere does one find a unity of purpose, a co-ordination of services or desire to obtain the maximum benefit out of whatever natural facilities the country may provide. Railways compete with railways, and railways combine to compete with waterways. Water-ways compete with railways, and coastal sea transport agencies try to take trade away from railway. An unholy war is further waged between railways and road motors. While this struggle is in full swing the country looks on unconcerned and the Government are slow in moving. Every day of inactivity adds to the confusion and renders the establishment of a co-ordinated internal transport system more and more difficult.

A survey of the transport map of India, to-day, betrays a lamentable lack of policy, and impresses the urgency of a co-ordinated development of all the various transport systems with a view to avoid waste and ensure efficiency. For this purpose, a Central Ministry of Communications should be considered, and every Province should have a Department of Transport working under the general guidance of the Central authority.

CURRENCY AND EXCHANGE

By far the most important feature of economic planning is the planning in monetary matters. In the absence of planned money, prices of commodities will be subjected to fitful influences, trade and industry could not have the assurance of adequate finance at reasonable rates, and confusion would prevail in the capital, gilt-edge and exchange markets. The well-being and prosperity of all the sections of the community are profoundly affected by the way in which the currency authority controls the standard supplies or withdraws currency and otherwise undertakes varied operations which affect the value of money and prices of goods. The currency mechanism can either do great good or great harm according as it functions in a wholesome fashion. The good, if it can do, embraces the entire country and no section of the population remains unaffected if harm accrues. It is for this reason that the utmost emphasis should be laid on a correct and scientific plan for money.

In the evolution of a proper currency standard our authorities should revise their ideas as regards the proportion of gold in our external reserve. Conservative in every other respect, and fighting shy of experiments in every other sphere, the Finance Member has, however, professed ultra-modern ideas in regard to gold. Gold is a fetish to him. It is sterling that is the be-all and end-all. He visualises a day when countries which have been grabbing all the gold that they could lay their hands on would be sorry that they did so. In this view, Sir George Schuster has no use for even the policy of Great Britain. While England has been rapidly strengthening her gold reserve in the period following the abandonment of gold standard, the Indian Government have allowed gold to flow out of the country, without any attempt on their part to secure a portion for the strengthening of their currency reserve. From the published figures in the Bank of England returns and from the reported accumulations of gold in the Exchange Equalisations Fund, it may be said that Britain has gained an additional £ 150 millions of gold within 2 and a half years. India, on the other hand, has exported gold to the amount of Rs. 175 crores. Our currency reserve has not gained one ounce of gold during all this period. We are asked to feel very pleased with ourselves as sincere philanthropists who have helped international finance by exporting gold without let or hindrance. If it is certain that the important countries of the world would go back to gold standard as soon as conditions permit; and if, therefore, it is essen-

tial that India too should re-establish gold standard, the present attitude of the Government in regard to gold exports must be considered extremely detrimental from the point of view of planned money. There must be definite plans for the acquisition of gold on account of the currency reserve for such amounts as would ensure the smooth function of gold standard in a country which has two kind of notes in circulation, namely, paper notes and silver notes : and which has an annual recurring liability of about £ 30 million by way of overseas commitments.

In this, as in other matters, the currency policy of India has been fashioned at the dictation of White-hall and in the interests of the City of London. It is negligence of the Indian interests and the policy of drift which have most adversely affected the economic life of India ; what is worse, it has seriously jeopardised the prospects of satisfactory reform in the future. The conflict between the currency system of India and the larger economic interest of the country has become more and more pronounced. Considerations connected with our foreign obligations have exerted undue influence over the outlook of the Government and they have failed to realise that the best guarantee for a proper discharge of such obligations can be provided by stimulation of our export trade and expansion of our favourable balance, to both of which the high ratio has proved a serious impediment.

From a survey of the history of the past, it is obvious that we have had no plan or definite aim in currency and monetary affairs. Those who have been shaping the currency and exchange policy have been content to live for the day. They have evinced no desire to place it on a suitable and permanent basis ; yet, of all issues affecting economic destiny of a country, nothing requires more urgently and more imperatively to be placed on a definite and permanent basis than currency and monetary policy.

Although the canons of a sound currency system are universal in their character and are fairly well-known, the principles which in the circumstances prevailing in India, should be regarded as most important to the policy best suited to this country, need to be fully emphasised. We should aim, in the first place, at a comparative stability of internal price level. As I have already stated less attention has been paid to this most important consideration, and, not infrequently, it has been absolutely ignored in the anxiety of the Government to maintain a stable exchange value. A fair measure of elasticity should be one of the essential characteristics of our future exchange and currency policy. Special attention will have to be paid to the fact that seasonal variations in economic conditions are very marked in India. Lastly our currency and exchange plan should be entirely under our own national control ; in its management interference from abroad and international influences should be eliminated as completely as possible.

Further, we should aim at a co-ordination of the currency and credit policies of the Government which are now conspicuous for their complete divorce from each other, not infrequently reacting most disastrously on the internal price level. The establishment of the Reserve Bank is expected to solve the problem to some extent, but with very little effective control of the Reserve Bank over exchange its complete control over the current policy will be doubtful. Besides, the influence of the Treasury Bills policy of the Government over the volume of money in circulation cannot be ignored. Money is at present pumped out and pumped into the market at the discretion of the Government, often with scant regard to the effect of such actions on price level. The plan for our future currency and exchange policy of the country will have to provide for safeguards against such unsettlement of the market.

So far as the wider questions of banking development and the credit policy are concerned, the Reserve Bank, even if it had been an ideal institution, could do little in the matter of acting as the monetary authority, without there being a network of banks in the country. The number of cities having a banking office is too small as compared with the total number of cities in the country. A considerable number of towns, not to speak of villages have no modern banking institution and it is necessary to establish a large number of commercial banks spread throughout the country. As I have already stated, banking development of the country, meagre as it is, has been entirely lop-sided. Industry and agriculture have been sadly neglected. The need is at present keenly felt for developing a more diversified system of banking by the establishment of banks of all kinds, for financing agriculture, industry (both for long-term requirements, as well as for short period), and trade (both internal and foreign). To bring all these banks within the orbit of the effective influence of the Reserve Bank, it will be necessary to establish discount

houses and licensed warehouses. The absence of a bill habit has resulted in the popularity of the system of cash credits which is at present a weak link in the banking system of the country. The problems of loan offices in Bengal and Nidhis in Madras and the problem of indigenous bankers remain also to be solved. Reform of these agencies must be made an essential feature of planned money.

FINANCE

The logic of circumstances demands that the new sources of revenue should be tapped, the need for which is also evident from a review of the position of the Provincial Governments. Land revenue, their principal source, is extremely inelastic and has shown considerable resistance to any substantial increase; the receipts from excises also have not in all the provinces yielded the desired result, leaving stamps as the only important dependable item. But as in the case of income-tax, dependence on a single source for a considerable portion of the revenue receipts is extremely precarious, and suggests the necessity for making the tax system more broad-based.

At the same time, we have to take into consideration the limited taxable capacity of the people. The people of India are admittedly very poor as compared with those of other countries, and the proportion of the total tax revenue to the total national income cannot naturally be as high as in other more fortunately placed countries; which leads to the conclusion that not much can be raised by imposing new taxes or increasing the present rates of taxes. We cannot ignore, on the other hand, that if the present practice of expending larger sums on the primary services of the Government to the exclusion of the more important developmental works is abandoned or even modified, and if, in future, increasing sums are allotted for the latter, the consequent improvement in the economic condition of the people will enable them to bear the burden of increased taxation to a greater extent than is possible at the present moment.

The minimum total amount of additional revenue to be placed at the disposal of the Provincial Governments for making a fair beginning in regard to the nation-building services has been estimated by Sir Walter Layton in his Financial Report appended to the Report of the Simon Commission at between Rs. 40–50 crores. It is extremely problematic whether it is feasible to raise this amount of additional tax revenue, while it is equally doubtful whether the money thus raised will be available for being spent for the secondary services of the Government in India, in view of probable shrinkage in Customs Revenue—a loss which will also have to be made up from the new levies.

These facts inevitably lead to the conclusion that to enable the Provincial Governments to adopt beneficial measures, it will be necessary not merely to tap new sources of revenue but also to exercise strict control over items of expenditure, particularly those relating to the maintenance of internal and external security, in order to leave a larger margin for productive purposes. It is, however, well to recognise that this economy in expenditure will not dispense with the necessity for additional taxation.

As regards the new sources of taxation which can be tapped, careful enquiries will have to be made into the equity, incidence and the probable yield from taxation of agricultural income, the institution of a tobacco monopoly (and, for that matter national monopolies in regard to other commodities of similar nature), excise duties on certain specific commodities, stamp duties on railway receipts, etc. I do not propose to deal with these specific suggestions here, but I would suggest that possibilities of raising additional tax revenue from these and other sources should be carefully investigated. Simultaneously, steps should also be taken to increase the productive power of the existing sources of revenue by varying the rates. Besides, attempts should be made for making Post and Telegraphs Department a revenue-earning department instead of being a burden on the general revenues as is now the case. This principle has been widely accepted in countries like Switzerland and Canada. But while State revenue is to be the objective, full and sympathetic investigation should be made of the taxable capacity of the people before any scheme of indirect taxation is undertaken through the regulation of postal and telegraph rates. The existing financial position of the department as is now administered by the Government of India, is extremely unsatisfactory. Year after year it is being run with deficits and for the last few years it has been almost a fashion to make of the general depression a scape-goat and put the whole blame on it. The crying necessity is, however, greater economies in administration, for which there is a vast scope.

The question of India's debt burdens will also have to be tackled in a scientific manner. The influence which our external debts and Home charges have on our Balance of Accounts with foreign countries can hardly be exaggerated. In spite of the fact that we have ordinarily had a large visible balance of trade, our huge foreign obligations have not infrequently caused serious anxiety to the Government in meeting the annual charges.

To my mind the best method of meeting these obligations is to create a separate Fund, into which should be annually allocated sums determined in accordance with certain fixed principles; these annual allocations should be utilised not merely for paying interest charges but also for redeeming portions of the original debts, in such a way as to wipe off the entire amount of our external debts at an early date. A similar provision made for our internal debts would facilitate conversion of loans bearing higher interest charges into those bearing lower rates, thereby relieving the burden on the general revenues.

As regards future borrowings, I would suggest that a Central Loan Council or a Council of National Debt be set up to accord sanction to the floatation of all loans and also to co-ordinate central and provincial borrowings. For the purpose of raising loans abroad, India must shake off her exclusive dependence on the London market and should tap other markets as well.

Allied with the question of our external debts is that of the Home charges which are a source of immense concern to the country. The reduction in these charges, which mainly consist of pensions and allowances to the past and present Government officials recruited from England, has become imperative; and while the stopping of further recruitments in England altogether will in course of a number of years result in the ultimate extinction of these charges, the question of regulating their payment by paying an annuity for a fixed number of years to the British Government in return for their undertaking the entire liability on this account should be carefully considered.

In view of the fact that the provinces are to secure greater autonomy with greater responsibilities for their own development and advance, the question of an equitable allocation of the resources is of primary importance. While the question has been discussed by a number of Government Committees and Commissions and settled to be only unsettled again and again, the solution still remains remote. The fundamental defect of the system, which has persisted since the Meston Award, is the allotment of comparatively inelastic sources of revenue to the provinces. Land revenue is an extremely stationary source even in these provinces where permanent settlement of land tenure does not prevail; excise is one in which diminishing returns have set in with the growth of an enlightened public opinion. Irrigation and forests are likewise mostly unproductive, mainly due to the fact that Governmental expenditure in these directions is quite meagre. It is, therefore, necessary to make a satisfactory re-allotment of sources of revenue with full consideration of the needs and potentiality of respective provinces before the Federal constitution is actually inaugurated and fresh burdens and responsibilities devolve upon the provinces. Financial justice to the federal units will constitute in itself not only a source of strength to themselves but also a reserve of potential support to the Federation.

That the administrative machinery in India is exceptionally top-heavy is an admitted fact. A poor country like India can ill afford the luxury of such expensive administration, which has always hampered the prosecution of schemes for national development. Reductions in Government expenditures are also urgently required for releasing adequate funds to help in the launching of a constructive economic plan for India. I would suggest in this connection the establishment of a Commission on the lines of the American Efficiency and Economy Commission to thoroughly examine the whole question of government expenditures and suggest necessary economies consistent with efficiency. I am firmly convinced that Government expenditures can be considerably curtailed without in the least impairing the efficiency of administration.

MACHINERY FOR PLANNING

The work which faces us requires a regulating or planning body in possession of all relevant and accurate statistical materials for a correct assessment of economic and social happenings.

The central idea is to set up a Supreme Economic Council or a National Planning Commission which will in no sense supersede either the executive or legislative limit of the Government. From the working of the Tariff Board, a fruitful scheme

for such a Council or Commission could be drawn. It should be composed of a permanent personnel of experts with the right to co-opt from time to time members having expert and specialised knowledge of particular problems when the Council will have to deal with such matters. Such a procedure will ensure the availability of specialised knowledge for special problems while guarding against a too circumscribed outlook or unwieldiness on the part of the Council itself. In the task of planning each particular industry, manufacturing, agricultural or extractive, must be dealt with as a whole, and the several units in any one industry must organise itself for co-operative work. The next step would be the establishment of organisations for the whole of Industry, Agriculture, Retail Trade, Foreign Trade, Banking etc., which should be able not only to represent as organised functional bodies their respective cases to the Council but also to carry out such schemes of work as may be entrusted to them. Where such embracing organisations for the whole or any particular economic aspect of life or for the separate units in any one industry do not exist, the setting up of such associations should be actively encouraged.

In respect of the provinces, too, we should have similar Economic Councils, although, in so far as the services of experts will be needed to elucidate particular problems, it will be open to them to draw on the experiences of the Central Council in addition to their right to co-opt members with specialised knowledge of mainly provincial matters. An important function which the provincial councils will subserve is the compilation of all relevant data in regard to the various aspects of the economic life of the respective provinces. Towards this end, voluntary co-operation of universities and colleges on the one hand and of Chambers of Commerce on the other, would be found extremely valuable.

While facts and figures bearing on the situation in each province will be gathered, sifted, analysed and compiled by the provincial bodies, the Central Council will have to co-ordinate the results of the provincial investigations and, what is more important, to take all those measures for the expansion and enlargement of the economic statistics of the country, so as to bring them into line with the statistics maintained by progressive countries like America. The Economic Intelligence Bureau will have to be organised on a thorough and efficient basis. It would be necessary, in this connection, to ascertain how far the existing machinery of the Department of Commercial Intelligence and Statistics admits of expansion and strengthening, so as to make the kind of Economic Intelligence Bureau which it will be the prime purpose of the Central Council to provide itself with. I should again like to impress upon you a point which I have already stressed, viz., that the basic necessity of our plan is for developmental purposes. And India should be developed mainly in the interest of Indians. It is therefore incumbent that in any machinery we may set up for the formulation and execution of the plan, we should constantly bear this fact in mind.

URGENCY OF ACTION

In examining such vast problems within the limited time at my disposal, I have necessarily had to content myself with a reference to some of the principal subjects only, omitting reference to a lot of other connected subjects. An economic plan itself is only part of national planning, and the latter comprises the co-ordination and harmonisation of a number of other human activities which go to make up the physical, mental, moral and material well-being of the people of the country.

The great need of the moment is not only a policy of action to deal with a pressing situation, but also the provision of a new conception of social and economic organisation which will facilitate the evolution towards a healthy and stable economic system. Such a system need not involve a radical reconstruction of the economic structure. Nor need it eliminate from business the motive of personal reward. Once we have laid the foundations of a plan for economic betterment of the country as a whole, there will still be a large field of useful work for even the most hardened individualist. But unless something is done quickly, I feel, there is a limit to the sufferings that will be borne by even a traditionally patient people; and when their balance of mind has been upset by continued privations and their judgment warped by severe economic adversity, they may develop into the most fertile soil in which the violent and ruthless could sow the seeds of revolution.

POLITICAL OUTLOOK

I have confined myself so far to the consideration of economic problems with which as businessmen we are so intimately concerned. The political situation also affects us no less vitally. Frequently, we have experienced how political conditions have thwarted economic objects, and the impending political changes will affect our business activities to a greater extent than we imagine. I need not therefore apologise to you for making certain observations on the political situation.

The country had been following a certain political programme in accordance with a policy that was laid down by the most dominant political organisation of the people. The whole nation for a time supported it and the commercial community, even while it could not as a body actively participate in it, genuinely sympathised with it and helped it in various ways. It did not bring us that measure of success that was universally hoped for. The very nature of the programme is such that there are serious practical limitations to its continuance for any length of time. An extreme programme of non-violent direct action imposed severe sufferings upon and demands great sacrifices from its adherents. The stringent measures adopted by the Government have also seriously affected the chances of its continuance as a mass movement. In an atmosphere of intense inter-communal clash and sectional differences, the continuance of such direct action of this kind may easily become a dangerous method. To continue to use such a weapon and at the same time prevent its inevitable reactions require a degree of national unity and discipline that is not found in India to-day. Civil resistance as understood and practised in India, by itself, need not necessarily be a dangerous method. But among its advocates is a group of people who view it merely as a preliminary to further extreme action for the promotion of aims and ideals about which there is not the least unanimity. In short, their ideas appear to favour a social and economic revolution, if necessary. When we examine Civil Disobedience as a method, we should not be too greatly influenced by the aims of its saintly originator, but we must also ponder deeply over what is likely to be the results, if its control and direction passed into the hands of those whose purity of motives and selfless devotion we may admire, but whose reckless disregard of consequences cannot be defended. And who can say it will not happen? As businessmen we cannot risk the creation of an atmosphere of national confusion and disintegration. It is not that Indian businessmen are afraid of financial loss. If they could be sure of achieving the aim, they would never recoil at sacrifices. But if they feel these sacrifices will not bear fruits, they cannot in fairness to themselves support that policy. This is the simple and understandable position of Indian businessmen.

At the same time we are quite aware that the Government, by their lack of vision and sympathy and the adoption of harsh and indefeasible methods may be adding fuel to the fire of national resentment, which might at any time blaze forth again into the terrible conflagration of revolution. We are powerless to prevent it. The responsibility for it, if such a position occurs, must rest entirely with the Government. We have warned against it; but warning go unheeded, for what does Government care for the opinion of the people of this country?

Now the old programme is, for all practical purposes, suspended, and no new programme has been adopted in its place. But as far as it can be seen the feeling is wide-spread, not merely among the commercial community but even among erstwhile active adherents of the policy and the country in general, that a definite change in the political programme, and the political methods and tactics is necessary. It is a feeling that is fully shared by businessmen all over India and I fully trust it will be given due consideration when the time for decision arrives.

GOVERNMENT'S ATTITUDE

Apart from the transformation in popular feelings and ideas, there have also occurred perceptible changes in the situation of the Government. After the success which they feel they have achieved in checking the nationalist movement, they are naturally feeling more confident of their own powers and less inclined to respect the country's wishes. The Assembly and Councils everywhere have ceased to function as guardians of national rights or champions of national interests. The Government have been able to persuade them to pass the most reactionary measures with indecent haste and surprising ease. The most unwarrantable interference with

individual freedom has been openly exercised. Above all, ruthlessly oppressive measures have been incorporated into the frame-work of the administration. While a cloak of justification for them, however thin, might have been provided by the conditions that existed some time ago, their indefinite continuance and the continual addition to their number are not warranted by the present circumstance. But the Government are arming themselves and strengthening their defences, lest under the petty concession that they contemplate in the White Paper, real power and effective control should slip out of their hands. Under the next regime it may be difficult for the Government to force the legislatures to accept such measures; but under extensive and undefined powers that will certainly be vested in the Governors and the Governor-General, all attempts at their repeal can be effectively thwarted.

Paradoxical as it may appear, simultaneously with the strengthening of the bureaucratic buttresses, the Imperial Government are also considering the extension of some political concessions. The wearisome delay which marks the progress of their proposals through the interminable stages of Conferences and Committees, before they are finally placed before the Parliament, signifies the seriousness with which the whole question is viewed by Britain. India's own opinion of the constitutional proposals embodied in the White Paper and the subsequent discussions in London, which constitute Britain's prescription for the solution of the Indo-British problem, has been given frank expression. Even the moderate-minded representatives that gave evidence before the Joint Parliamentary Committee did not consider them as acceptable. 'India desires', they say, 'to shake hands with Great Britain in token of friendship based on a recognition of equality. A proposal that she should be hand-cuffed before she is allowed to shake hands, lest she be tempted to strike, is hardly the most expedient method of beginning a new era of cordiality and mutual understanding.' The spirit that runs through them is one of open mistrust and the proposals themselves are grossly inadequate judged even by the declaration of policy made by the Prime Minister at the end of the first Round Table Conference. They are characterised by a carefully concealed unwillingness to part with real power. Wherever there has been any concession of power it has been effectively nullified by artfully contrived checks and balances. The Governor-General's extraordinary powers and 'special responsibilities' will overshadow whatever powers may be delegated to the Ministers. The Defence Budget will be determined by the Governor-General and the Commander-in-Chief. In matters of currency, credit and exchange the previous sanction of the Governor-General will be necessary for any substantial change in the present order of things. That the Governor-General should have a special Financial Adviser (a function which in all countries is fulfilled by the Finance Minister), is an unmistakable indication that the Finance Minister is not expected to share his confidence. The constitution and powers of the new Reserve Bank have been so devised that real Indian interests will still find it difficult to gain influence. The proposal for a Statutory Railway Board is another measure that has been devised to diminish the powers of the legislature and segregate the transport organisation from popular control. The provisions relating to commercial discrimination have been so framed that, in the form which they finally assume, they may prove a powerful impediment to India's economic progress and freedom, and the strongest guarantee of the economic control of India by foreign capital. Under the plea of preventing commercial discrimination Britain is really attempting to force India to confer upon the British businessman every right, every privilege that an Indian businessman can ever enjoy. Even the idea of so-called reciprocity is receding to the background, and nobody in India can enjoy greater rights than a British businessman. This is a position which may lead to a future economic conflict many times more severe than the present political struggle.

If the situation does not improve and if the present struggle is continued, India will remain a source of increasing weakness and trouble to Great Britain. While her apparent control and the outward forms of political domination may continue, her real influence over India's life, ideas and outlook is fast dwindling. The antipathy she has aroused cannot be eradicated by 'strong measures', political palliatives or half-hearted concessions. While these facts suffice to show that under the new constitution the position will remain substantially unchanged Britain's attitude towards India has not undergone any basic alteration. There is not even an indication as to when the tutelage will end. The position is both unsatisfactory and uncertain. But the Government seem to be changing their tactics. New methods are under their contemplation. The

devices they will adopt under the new regime to retain control of the country will differ widely from the old weapons. For this reason, again, the country also would require to change its methods and instruments.

But it would be difficult to prescribe them just now before knowing the exact position and attitude of the British Government; and neither is it possible immediately to define our attitude towards them under the next regime, and even if it were possible, at the present stage, it would be eminently inadvisable. There is time yet to do that. We do not yet know in what shape the Bill will finally emerge and, therefore, it strikes me that it would not be wise to enter into speculation about our future action.

There is a section of people who seem anxious to express their willingness to work the new constitution for what it will be worth. They do not even know the ingredients of the medicine manufactured and patented in England, but they are eager to prescribe it for India. In my judgment such an attitude is not warranted by the present state of things. There is nothing to justify or support the assumption that our readiness to make an unequivocal declaration of co-operation will induce the British people to make any change in their policy or concede greater powers to us. You will pardon my inability to understand those whose zeal for co-operation under all or any circumstances still remains unabated.

DUTY OF THE COMMERCIAL COMMUNITY

I do not think the time has yet arrived for the commercial community to make any immediate decision on the question of council entry. Our readiness to go to the Councils cannot be of any avail unless the country also decides upon such a policy. Representatives of the commercial community may go to the Councils to oppose unacceptable measures and help the initiation of beneficent ones; but unless the nation also decides to enter them the few representatives of Indian commerce can expect to do neither successfully. Some of them are in the Councils to-day. Are they able to prevent the enactment of any unjustifiable measures, even in the economic sphere? Are they able to influence legislation for the benefit of our economic progress? The Councils can be of some advantage to us only if they consist of the real representatives of the people on whom our representatives can rely and with whom they can work in co-operation. Until, therefore, the country decides to enter the Councils, it will be premature to make any decision ourselves in this matter. What we really ought to do is to express our views frankly so that they may exercise due influence upon the leaders when they assemble to make the final decision and, having done so, to await the decision before adopting any definite policy ourselves.

As I have already stated, the general feeling is growing that a review of our political situation and resources and a reconsideration of our political methods and tactics are necessary. The great lesson brought home to us by the events of the past few years, as I read them, is that too great a sanctity should not be attached to one particular method. Political tactics often necessitate the adoption of several weapons at the same time. The value of a method is sometimes so exaggerated, and invested with almost divine sanctity that not infrequently there is the danger of our losing sight of the goal. There may grow up an impatience of any other methods suggested for the attainment of the same goal. A tenacious loyalty to a given method is often a political asset of great value; but when you mistake it for an unalterable political principle, it may become a terrible handicap to political progress.

The soundness of a given political method should be tested not merely by its theoretical excellence, but also by its adaptability to the conditions actually prevailing and which are necessary for the achievement of success. It might be eminently desirable to have an army composed of men, every one of whom is six feet high; but by prescribing this condition as an indispensable qualification for entry into the army you will hardly gather more than a few hundred men.

SUPPORT FOR COUNCIL ENTRY

We have in the past employed certain political methods. We should not be afraid to admit that they have not brought us the success we had hoped for. Ordinary prudence demands a change. There is nothing derogatory to a change in political methods. Considerations of false political prestige should not deter us from

grasping the realities of the situation which call for a change, so long as our goal remains unchanged and our ideals unaltered. A river in its course to the sea encounters many an obstacle. If it encounters a hill in the course of its progress, it circumvents it and continues its course to the sea. So should it be with our politics.

Within the bounds of the principles of morality and the tenets of the philosophy of our life, we should have no hesitation in adopting any method that is likely to further our ends and strengthen our cause. I do not believe that we should not approach an evil thing even to mend it, not even to end it. If the leaders think that the Councils can give us strength to achieve our goal they must capture them and work them. If they believe the Councils are impediments in the path of our political progress, they must capture them and break them. In any circumstance we must prevent others from using them to pass bad laws and utilise the support of these black-legs as justification for their black laws. As instruments of self-government these Councils may not excite our enthusiasm; but when they are filled with unworthy men, they have been freely utilised as weapons against national economic interests and political aspirations. There are men in the present Assembly and Councils, who merely to win the applause of the Treasury Bench and gain the favour of the Government have derived great national institutions, political and commercial. There are yet others who could not have reached these bodies except by exploiting communal dissensions and who could not have retained their seats except by fanning the same hateful flame. The opinions and actions of these men are being paraded before the world as those of the country. Should this at least not be prevented from happening again?

The Indian commercial community has always helped the political organisations in all legitimate endeavours to attain Swaraj, and will, I am sure, continue to do so. But the national leaders should take into consideration all our circumstances and limitations so that our humble co-operation and services may also be useful for the advancement of the country's cause. Our future political methods should be such that every man who loves his country will have an opportunity to make some contribution, however small, towards its advancement. We the commercial community desire to march with our countrymen. Do not exclude us by taking a route we can not follow or prescribing methods we cannot use.

CONCLUSION

Gentlemen, I have now about done, but before I resume my seat I must extend to you my sincere thanks for the honour you conferred on me by electing me your President for the year. It is an honour which I highly covet, it is a privilege to have served you and this is the happiest moment of my life. There are few more honourable positions to which an Indian may aspire than the presidency of this important body representing the vast interests of Indian trade, commerce and industry. I would ask you to pardon the length of my speech but I thought it necessary to bring to your attention these matters which are so greatly exercising our minds to-day, and also what urgently calls to be done to improve the country's economic condition. I hope, therefore, that the proceedings which follow will be really constructive and helpful. It is hardly necessary for me to urge upon you, that a tremendous responsibility rests on the Indian commercial community; for, on them devolves to a larger extent than any other section of the people, the duty of sailing the economic vessel past the shoals and quicksands that threaten a safe anchorage.

Resolutions

Following is the full text of the resolutions which were adopted at the open session of the Federation of Indian Chambers of Commerce and Industry held on March 31 and April 1 under the presidency of Mr. Nalini Ranjan Sirkar:-

BEHAR DEVASTATION

1. The Federation places on record its profound sense of horror at the devastation caused by the recent earthquake in Behar and extends its deep sympathy to the

people of the province in the great calamity which has overtaken them, and appeals to the commercial community to come forward to help generously towards the reconstruction of Bihar.

DEVALUATION

2. The Federation reiterates its emphatic opinion that the existing 1s. 6d. ratio is extremely detrimental to the best interests of the country and that the position has been very much aggravated by the depreciated currencies of other countries and that early action should be taken to devalue the rupee with the ultimate object of fixing the exchange at the natural level.

GOLD EXPORT

3. This Federation views with alarm the continued outflow of gold from India valued at over 171 crores of rupees since September 1931 and regrets the policy of inaction on the part of the Government of India inspite of strong protests by the Indian Mercantile community. This Federation re-affirms the necessity of steps being taken forthwith by the Government to put an embargo on the export of gold and buy gold in India at the rates equivalent to sterling rates of gold in London.

SALE OF SILVER

4. The Federation regrets that the Government of India should continue their policy of silver sales in spite of the continued protests from the public. The Federation is of opinion that since the recommendations of the Hilton Young Report are not now operative Government should stop further sales of silver.

The Federation welcomes the reduction of the import duty on silver and hopes that this will be the first step towards the ultimate abolition of the duty in the near future.

BANKING SERVICES

5. The Federation urges the Government of India to give immediate consideration to the recommendations of the Central Banking Enquiry Committee with the object of preparing a definite programme to secure the extension of banking services, particularly for the aid of industry and agriculture, to improve the organisation of banking in general in India and pass banking legislation to facilitate the expansion of joint-stock banking in the country.

INDO-JAP AGREEMENT

6. The Federation places on record its appreciation of the services of the Indian delegation and the unofficial advisers in successfully concluding the Indo-Japanese Trade Agreement after arduous negotiations and under the most delicate and difficult circumstances.

The Federation also places on record its appreciation of the services rendered by its representatives and expresses its gratification at the complete support accorded by the representatives of the Federation for the protection of Indian industries.

The Federation while appreciating that an opportunity was given to the Government of India for direct negotiation with a foreign Government regrets to note that though the terms of the agreement were settled in Delhi between the Indian and Japanese delegation the Agreement itself has to be signed to London.

In regard to the terms of the agreement the Federation is of opinion that in effect they impose a check on the full and free development of the Indian cotton textile industry and involve the recognition of certain principles and methods which are prejudicial to the industrial and commercial interests of India, in as much as the agreement entails, among others : (a) an arrangement for basing the import of manufactured goods into India in return for the exports of raw materials from which the manufactured goods into India so imported could be made within the country itself ; (b) and evaluation of the reciprocity of interests in regard to the specific commodities exchanged between India and Japan under varying degrees of necessity rather than in accordance with the more equitable and scientific

criterion of the total advantage obtained by the two countries from the entire extent of their mutual trade relations.

The Federation recommends to the Governments that in any future trade negotiations this country should not be committed to import manufactured goods in return for the advantage of exporting raw materials from this country, particularly such manufactured goods as can be made in this country from the very materials that are so exported.

The Federation approves of the provisions made in the agreement to reconcile the operation of the Most Favoured Nation clause with the exigencies of ordinary foreign exchange situations that have developed in recent times and the necessity of protecting Indian industries therefrom.

The Federation recommends to the Government that in view of the serious economic disadvantages arising out of the preponderating dependence of India upon certain foreign countries as outlets for the exports of her raw materials and the severe handicap it places upon the country in her negotiations with other countries, immediate efforts be made to remedy the same, and steps be taken to encourage the larger use of Indian raw cotton in India itself and the more extensive cultivation of suitable and necessary variety of long staple cotton.

The Federation, while appreciating the fact that Indian cotton mills are the largest buyers of Indian raw cotton, requests them to take steps in order to ensure the use of even greater quantities with a view to reduce the dependence upon foreign markets.

7. The Federation is of opinion that whereas the new specific duties introduced as a result of the agreement with Japan would afford some relief to the numerous struggling smaller industries of India, they do not ensure to them adequate protection against Japanese competition.

The Federation draws the immediate attention of the Government of India to the parlous condition of small industries in India and is of opinion that the new duties are not adequate and effective in the case of a number of industries like hosiery, glass, enamel-ware, starch etc., especially in view of the fact that these industries are comparatively in nascent condition and have still to acquire financial strength and technical perfection to meet foreign competition.

The Federation urges upon the Government the fact that many of the aforementioned industries deserve substantial protection to foster their growth and development in India, and suggests that the relief given to these by the emergency measures provided for by the recent Tariff Act should be replaced by an adequate measure of protection.

STORES PURCHASE POLICY

8. The Federation expresses its dissatisfaction with the Stores Purchase Policy pursued by the various Port Trusts in India which do not take into consideration the wider economic interests of the country and have often acted contrary to the accepted stores purchase policy of the Government of India and Provincial Governments and requests the Government of India to direct these statutory bodies to follow the stores purchase policy and adopt the stores purchase rules of the Government of India.

In order to realise the benefit of the centralised stores purchase and to put into operation a common and co-ordinated stores purchase policy of the country, the Federation also urges the Government to direct that the Port Trusts and Improvement Trusts and such departments of Central and Provincial Governments that have not yet adopted the stores purchase rules should purchase all their requirements through the Indian Stores Department.

The Federation welcomes the decision of the Calcutta Port Commissioners in framing the specifications of the proposed new Howrah Bridge in such a way as to admit of the maximum use of Indian materials, and trusts that the Government of India and the Governments of other provinces will follow this policy in regard to all future works of magnitude and importance and that it should also be laid down as a matter of policy that preference shall be given to materials manufactured in India and that the work should preferably be carried out through the agency of Indian firm.

The Federation further requests the Government of India and various provincial governments to take effective steps for carrying on and encouraging an extensive "Buy Indian" campaign on the lines of the "Buy British" and "Buy American" propagandas carried on by the British and American Governments respectively. The Federation also requests all Indian Chambers of Commerce and Commercial Associations to institute a similar "Buy Indian" campaign.

ECONOMIC RECUPERATION

9. The Federation regrets to note that inspite of nearly four years of economic depression the Government of India have not yet undertaken any measures calculated to help economic recuperation and to relieve the widespread economic distress of the people, particularly among the masses and strongly urges the Government to direct their immediate attention to this matter and so concert necessary measures in consultation with representatives of commercial interests.

The Federation is further convinced that any measure for economic recovery

purpose the Federation would strongly urge upon adoption of a bold reflationary policy by undertaking a scheme of public works expenditure especially in rural areas and by actively assisting, and affording all possible support to a comprehensive scheme calculated to increase all round productivity of the country instead of merely waiting for improvement in the world economic situation.

The Federation is further of opinion that the Government of India should proceed on a systematic and scientific investigation of all the material resources of the country with a view to chalk out a plan for the achievement of the goal outlined in the preceding paragraph.

INCOME-TAX POLICY

10. The Federation records its sense of deep dissatisfaction with the entire Income-tax policy of Government and recommends to Government to amend the Income Tax Act as early as possible so as to give effect to the following demands of the Indian Mercantile Community immediately:—

- (a) To abolish the surcharge now levied on Income Tax and Super Tax.
- (b) To raise the minimum taxable limit from Rs. 1,000 to Rs. 2,000.
- (c) To amend the Income Tax Act so as to allow carrying forward of losses sustained in any one year against profits of subsequent three years.
- (d) To provide that appeals from Income-tax Officers both on points of law as well as on fact should lie to any independent tribunal.
- (e) To amend the Income-Tax Act in such a way that Indian law may become with per with English law.

MUTILATED CURRENCY NOTES

11. The Federation regrets to note that the operation of the present rules for refusal of value mutilated notes is causing unnecessary loss and inconvenience to the public and requests the Government of India to revise them so as to restore the position before 1927.

EXCISE DUTY

12. The Federation protests against impositions of excise duty as it will endanger the expansion and stability of this infant industry.

COAL INDUSTRY

13. The Federation notes with regret that inspite of repeated representations from several bodies representing the interests of producers as well as consumers practically no action has been taken by the Government for helping the Coal industry. This Federation is of opinion that the Coal industry is in urgent need of immediate attention and urges Government to help it by withdrawing the surcharge on coal freight and also by adopting the restriction scheme put forward by the Industry to rehabilitate it.

STATUTORY RAILWAY BOARD

14. The Federation is opposed to formation of Statutory railway board and its incorporation in this new Constitution Act but in case it is so constituted the Indian Legislature should possess the fullest right of control both as regards initial and amending legislation.

15. The Federation is of opinion that the Indian Companies Act 1913 is out of date and ineffective for the purpose of regulating Joint Stock Company on sound and healthy lines, and the Federation therefore urges the Government of India to take steps for the revision of the Act at an early date and for that purpose recommended the appointment of a Committee to consider and report upon the changes necessary in the Act.

16. The Federation draws the attention of the Government of India to the imports of foreign goods without any marks origin, similar in form and design to corresponding Swadeshi products and urges that the lacuna in the Merchandise Marks Act be removed by provision imposing an obligation for the country of origin being distinctly shown on all imported goods.

17. The Federation deeply regrets to find that even though there is no justification, the Railway Conference Association still maintain an unsatisfactory and unsympathetic attitude with regard to the treatment of ground-nuts in a manner different from other oilseeds inspite of several representations from interested trade-bodies making out a strong case for doing away with the separate classification of the said commodity. The Federation therefore draws pointed attention of the Government of India to this question and requests them to move the Railway Conference Association to do away with the existing treatment and classify ground-nuts in its proper place with other oilseeds in the category of Grain and Seeds Common.

18. The Federation views with apprehension the growing unsatisfactory financial position of the Port Trusts of the major ports in India and the diversion of traffic from these ports to other centres either through the creation of new major ports or greater economic facilities granted to the trades elsewhere and deplores the absolutely inadequate representation of Indian commercial and industrial interests on these bodies and the extremely slow progress of Indianisation in their superior services. The Federation, therefore, urges upon the Government of India to institute immediately a thorough and impartial inquiry into the financial and other affairs of the Port Trusts of the major ports in India and to take steps, without any further delay, for revising the constitution of these bodies, their powers and functions, with a view to secure predominant representation and control to Indian interests on all such Port Trusts in their own country.

EDUCATIONAL PROGRESS IN INDIA

January—June 1934

Educational Progress in India

Record of Progress in 1931-32

The review of the Government of India of the progress of education in India and in administered areas was published by the Government of India from New Delhi on the 19th February 1934, as a statement by authority of the Government of India. It made interesting reading and showed a record of steady progress.

The year 1931-32 closed with 223 arts colleges in India, 2,801 high schools, 3,875 English Middle schools, 5,894 Vernacular middle schools and 1,68,835 primary schools, with a strength of 78,044 scholars studying in colleges, 8,62,513 in high schools, 4,10,459 in English middle schools, 7,54,521 in Vernacular middle schools and 73,77,257 scholars in primary schools respectively.

The percentage of male scholars in recognised institutions to the total male population of 1,40,075,258 living over an area of 1,094,152 square miles in the country worked up to 6.96 per cent of the population. The percentage for female scholars worked up to 1.8 per cent and this figure had increased by 5 per cent from what it was seven years ago.

The total number of scholars in recognised institutions in the country during the year were 12,122,466, whilst scholars in all recognised and non-recognised institutions were 12,766,537.

The expenditure in thousands of rupees from the Government funds amounted to 124,601, from local funds 28,001 and from municipal funds 15,817, making a total of Rs. 1,68,419,000. Fees and other sources brought in the grand total of expenditure on education in India to Rs. 2,71,857,000.

The percentage of male scholars to the population in Madras, which was ahead of all provinces in India to its total population was 3.1 and expenditure amounted to Rs. 56,782,000. Bangalore's figures were higher still. The percentage in the case of males was 14.5, whilst in the case of females it was 9.9. Hyderabad too had 12.52 per cent for its males and 7.54 per cent for its females. In Baroda, the percentage of men worked up 13 per cent and females 7 per cent. All other provinces came only afterwards. The figures for Travancore were not available.

The Tenth Quinquennial Review—1927-32

The progress of education in India (1927-32) and the tenth quinquennial review on the subject by the Government of India which Government released for publication in May 1934 began with the remark that the high promise which was held out five years ago and indicated in the previous quinquennial review has been far from fulfilment, and the review of the present quin-quennium must performe appear disappointing. Economic distress far exceeding in magnitude and intensity even than experienced in the post-war years, stated the review, had intervened; the pace of expansion had been retarded; political life disturbed; expenditure had been cut down in all directions; and communal bitterness had been accentuated.

This sad state of affairs has been brought into prominence in most of the provincial reports received by the Government of India.

The attitude of gloom, however, is relieved by the observation that the forces of conservatism are gradually weakening and that changes in the social outlook of the people, such as found expression in the Sarda Act, have done much to encourage the diffusion of education, especially of girls.

NEED OF A CONTINUOUS POLICY

In its review of the educational position in 1928, the Auxiliary Committee of the Indian Statutory Commission (commonly known as the Hartog Committee) emphasised the vital importance of defining a well-conceived and effective policy of advance. (P. 346).

The sudden and disastrous change in financial and other conditions, the adverse effects of which began to be felt in 1930, was unexpected; and those responsible for the charge of education, mainly in consequence of the weaknesses in organisation which were described by the Hartog Committee and which still remain largely uncorrected, have found it difficult to adapt themselves to new and uncongenial conditions. Though there are signs of improvement in certain directions, it is none the less difficult to find in provincial reports a reasoned account of the principles which should have guided a policy of retrenchment. In a spirit almost of panic, wholesale reductions have been made by rule-of-thumb methods and by percentage reductions with the result that good and bad together have been thrown indiscriminately into the abyss. A well-directed policy of retrenchment would have resulted in the cutting away of the dead wood and ineffective expenditure, which has hitherto obstructed the salutary and economical growth of education.

Many of the provincial reports have declaimed, for example, against a reckless and impetuous multiplication of primary schools. The Bengal report is emphatic on this point : "The number of schools have increased, largely as a result of individual initiative, but there has been no effective control over them by local authorities, and there are about twice the number of primary schools as are actually necessary..... Schools of a very low grade, schools with only one teacher, teachers without a living wage, teachers without proper training, schools under no adequate control, schools with no effective inspection—these are the problems we have to face."

Yet the report does not reveal any resolute or organised attempt to deal with this alarming waste of money, even at a time when effective means of spreading of education were being ruthlessly cut down.

Even more wasteful is the continuance of the three-class primary school even during a period of relentless retrenchment.

Another illustration of unregulated waste is the rapidly increasing number of students who throng the colleges and the upper classes of high schools, many of whom are incompetent to benefit by such instruction ; hence the alarming increase of unemployment among the middle classes.

Apparently no province has considered the present time of acute financial depression as suitable for diverting students from the universities.

These illustrations of unregulated waste show that the path of an educational reform is based by many obstacles. A reform which may appear obvious is not necessarily easy of attainment. Education is an integral part of family and national life : it is linked to, and bound by, forces over which it has little or no control. Political and communal considerations, vested interests, intense and often misguided loyalties, poverty, diseases, social customs, religious controversy, all stand in the way.

Periods of prosperity and of adversity have each their peculiar problems, but these rapid alterations between comparative wealth and abject poverty, between comparative peace and violent disturbance, add very considerably to the already difficult task of administering education. There is always a danger that, in times of prosperity, the rush of expansion will be so overwhelming that there is little time in which to think out correct principles of advance ; that, in times of adversity, the outlook will appear so unpromising that it seems almost futile to ponder over proposals for the next advance. But times of adversity as well as those of prosperity demands a well-thought out policy whether by retrenchment or by expansion. The times are critical ; great and far-reaching schemes of political advancement are in the making. The educational systems of India need to be recast and adjusted to the requirements of new conditions, India will need all that her schools and universities can give. Deeper thought and more strenuous effort are required to eliminate "wastage" from the primary system. Literacy may not be essential to the recording of a vote but none the less a representative form of Government depends for its success very largely on widespread literacy. It is also for schools and colleges to provide suitable and inspiring training for those who will be expected to take a leading part in moulding the destinies of the India of to-morrow. India needs an educational policy, which can be adapted to changing conditions and will be strong enough to withstand the strain alike of rapid expansion and of financial curtailment.

SCHOOLS AND PUPILS

The large numerical advance in respect of both pupils and schools which was anticipated five years ago, has not been realised. Though the number of additional institutions amounted to 38,153 in the 1922-27 quinquennium and to 15,351 in the previous quinquennium, it was only 11,526 during the quinquennium under review. But an increase in the number of institutions is not necessarily a sign of healthy and economic progress; it may be the reverse. There should at least be a commensurate increase in the number of pupils.

The times have been so abnormal, and conditions at the end have differed so vitally from those at the beginning of the quinquennium that the figures for each of the five years are of importance.

Year	Institutions	Pupils
1926-27	246,264	11,157,496
1927-28	254,724	11,775,222
1928-29	258,018	12,166,104
1929-30	260,946	12,515,126
1930-31	262,068	12,689,086
1931-32	257,792	12,766,537

The rate of increase in the number of institutions was thus comparatively uniform during the first four years of the quinquennium. Then, all of a sudden, an annual increase of between two and three thousand schools was replaced by an actual decrease of twice that amount.

These figures indicate both the magnitude and the abruptness of the decline. What is even more significant (and welcome) is that, in spite of a reduction of over four thousand schools in place of an increase of 3,000 schools, there was actually an increase of over 77,000 pupils during the last year of the quinquennium. In other words, the development of the better schools outpaced the elimination of the weaker schools. The abruptness of the decline suggests, however, that this measure of consolidation was dictated by financial necessity rather than by any premeditated change of policy. This concrete illustration of the value of consolidation should result in a further strengthening of the system in the years to come. There is evidence that in many provinces this hopeful and helpful indication is being appreciated.

The total number of recognised educational institutions in the quinquennium under review was 222,804 and the total number of pupils, 12,122,466. The total number of unrecognised institutions were 34,988 and the pupils in these institutions 644,071.

The deduction to be drawn from the disconcerting variations indicated by alternate increase in number of pupils and decrease in the number of institutions in this respect would appear to be that though unrecognised schools possess little educational value and their elimination need not cause any anxiety, a certain number of them are appreciated and should receive encouragement.

The provincial figures disclose considerable variations, not only in the actual rate of progress but also in the general trend of policy between the provinces.

EDUCATIONAL EXPENDITURE

Financial shortage has reacted adversely on educational progress. Whereas educational expenditure of all kinds was increased approximately by Rs. 7 crores in the quinquennium of 1917-22, and by Rs. 6 crores in the quinquennium of 1922-27, the increase during the quinquennium under review dropped to Rs. 2.6 crores.

The quinquennium under review like that of 1917-22 has been a period of great financial strain, but for reasons diametrically opposite to those which obtained ten years ago. Low prices have had even more unfortunate effect than did high prices of ten years ago. Parents, especially those belonging to the agricultural classes, have found it more and more difficult to support the education of their children and Provincial Governments, with their depleted revenues, have to contract seriously their financial support of education.

The total annual expenditure on education in the quinquennium amounted to Rs. 27,18,56,622 of which Rs. 12,46,03,905 were derived from Government funds, Rs. 4,38,18,535 from Board funds, Rs. 6,22,69,534 from fees, and Rs. 4,11,64,648 from other sources. Madras spent in all Rs. 5,67,61,851 on education in the quinquennium and the most notable feature in the progress of provinces was the continuous and almost unchecked progress shown by Madras which recorded an increased expenditure of Rs. 1,12 lakhs in 1927 and one of Rs. 1,15 lakhs in 1932.

The Madras Government also increased its contribution from Rs. 202 to Rs. 255 lakhs during the quinquennium whereas most of the other provinces reduced their contributions. The United Provinces spent 16.89 per cent of their total provincial expenditure on education. The Punjab came next with a percentage of 15.89 and Madras came third with a percentage of 15.74.

The average annual cost per pupil in arts colleges in Madras came to Rs. 210.47, in high schools Rs. 52.13, in English Middle Schools Rs. 45.65, in primary schools Rs. 8.94 and the average cost of education for each pupil in that presidency worked out to Rs. 20.04.

VARIATIONS BETWEEN PROVINCES

It has been suggested that there is much variation in the rate of progress and in the measure of financial support in the several provinces.

In the pre-Reform days before 1921, when the Government of India played a prominent part in financing education and in defining educational policy, these financial inequalities were lessened to some extent by subventions from the Government of India; but with the steady growth of provincial autonomy, the poorer provinces have had to depend more and more on their attenuated resources. Thus, in the present circumstances, there must necessarily be a grave lack of uniformity in the speed of educational advance throughout British India, especially in primary education and the removal of illiteracy.

There are also wide variations between the provinces other than those of financial inequality and of the speed of advance. The old-time criticism of Indian education as being of a lifeless uniformity is now by no means justified. Since the time when in 1921 the Government of India divested itself of its control over education each province has tended to go its own way and to develop its peculiar characteristic; and this tendency will doubtless be developed further.

There is, first, considerable variation in the general scheme of school classes, and the nomenclature by which each of these classes is known. The length of the course culminating in the Matriculation Examination, for example, is by no means uniform in the provinces. Whereas there are twelve classes in some provinces, there are only ten in certain other provinces. This disparity explains why Punjab students in particular are able to enter their university at a very early age.

There are also variations in the policy regarding the use of the vernacular medium of instruction and the stage at which the study of English as a subject should be introduced in Anglo-Vernacular or English schools.

The main point of difference in the provisional systems, however, lies in the neglect or encouragement of vernacular schools. The vernacular system of education differs from the English or Anglo-Vernacular system, not merely in the medium which is employed, but even more in its objective. Its aim should be to provide a sound general education complete in itself, which, if properly regulated, would do much to build up a spirit of leadership and initiative in the countryside.

There are also wide differences in the general organisation of schools. In Madras, Bengal, Assam, and Bihar the vast bulk of primary schools are under private management consisting solely of a school teacher, who regards the school as his personal property and may or may not receive a small subvention in grant-in-aid.

The persistence of this system is largely responsible for the grave difficulties encountered by these provinces in making an equitable and economical distribution of schools throughout the province: and also for the ephemeral nature of many schools. Para-wide distinctions have arisen between provinces in the university system as well. There is thus a pleasing variety of experiment, but there are some disconcerting features in these innovations. Each university now tends to be self-contained, ambitious to provide teaching up to the highest grades in a large number of subjects, regardless of the contributions made by the other neighbouring universities. As a result, there is much overlapping and extravagance.

This rapid growth of provincial particularism is calculated to develop a spirit of inquiry and initiative, but should not be carried to excess. It is scarcely conducive to the right development of education in India that some parts of the country should be making rapid strides, while others, as a result of their poverty, have no even the opportunity of making any appreciable advance. Provinces are also becoming more and more exclusive in their activities and the experience of one province is not really available to other provinces. A rigid and narrow provincialism is a danger to proper development.

GOVERNANCE AND ADMINISTRATION

The Government of India have been impressed by the force of some of the suggestions made by the Hartog Committee that the Central Government should not be relieved from all responsibility for the attainment of universal primary education and that the Central Government should devise means whereby those Provincial Governments which were not in a position to meet the cost of developing compulsory primary education might be given aid from central revenue and that the sphere of influence by the Central Government should be enlarged through the agency of a Bureau of Education and they forwarded these suggestions in Provincial Governments for their opinions and advice. The response received from the provinces has been distinctly favourable and there is a clear indication that a spirit of aloofness and exclusiveness is giving way to a keen desire for increased co-operation and interchange of thought and experience. Unfortunately, the financial stringency has been such that the revival of the proposed Board and Bureau of Education has not yet been finally settled and may still be described as being "under consideration."

Had the Bureau and Board of Education been continued and developed they would probably by now have established a firm influence in the provinces, but there is danger that a great opportunity has been lost and that it may now be difficult to regain contact with the provinces. A preparatory step was however taken in this direction in separating the office of the Superintendent of Education, Ajmere-Merwara and Delhi from that of the Educational Commissioner.

It is felt by the Government of India that the abandonment of further recruitment to the Indian Educational Service will however bring into greater prominence the spirit of provincial particularism. Though members of this service have been confined in their activities almost exclusively to the provinces of their original appointment, there has always been a wide field of selection in making appointments and, in consequence, many of the officers now holding higher educational posts are by no means limited in their experience to the conditions of the particular province in which each is serving. With the substitution of provincial services there is danger of a narrowing inbreeding which will be fatal to the application of a wide standpoint to broad educational questions of policy.

In recent years much concern has been expressed, states the review, at the weakness of most provincial headquarters staff.

In certain directions, however, there are signs of improvement. In many provincial reports there is evidence at least of a realisation of many of the examples of waste and ineffectiveness throughout the system, to which pointed reference was made by the Hartog Committee five years ago and the desire for improvement has been spurred by the urgent necessity for exercising the strictest economy. But the 'rush' for retrenchment has been attended by unfortunate results similar to those which attended the 'rush' for expansion a few years ago. It is premature to suggest what will be the final effects of this policy or rather lack of policy of retrenchment, but it will undoubtedly be a long time before provinces, such as the Central Provinces and Bihar and Orissa, can recover from the drastic manner in which the axe of retrenchment has been wielded. It is also undoubted that, in the long run, more money will have to be expended. Retrenchment does not always entail economy.

It is also a matter of regret that many of the weaknesses in the organisation, which were brought to notice by the Hartog Committee, are even more pronounced than they were five years ago.

In some provinces the position of an Education Minister has been extremely insecure. He has been liable almost at any moment to an adverse vote in the Legislative Councils; and this feeling of insecurity has sometimes led to a policy of laissez faire. There have been frequent changes so that Ministers have often held office only for a brief period. Thus continuity of policy has been rendered very difficult. In the Central Provinces, four Ministers held office during the quinquennium; in the United Provinces there have been three Ministers; and in no province has a single Minister been in office during the whole period. In Bengal three Ministers held office during the quinquennium and in addition during a large portion of 1929, Education was administered by His Excellency the Governor and the Executive Council.

Similarly, the provincial reports contain no account of an attempt to strengthen headquarters' staffs; in some provinces, indeed, there is evidence of even a reduction in their efficiency. The omission to effect improvements in this respect has probably been the main cause why the work of retrenchment has been carried out with so little regard for guiding principles and without a concerted plan of action.

The general sufficiency and efficiency of the inspectorate is of vital importance to the well-being of education.

Practically all provincial reports refer in serious terms to a still further reduction both in the quality and in the quantity of inspecting staffs. In the Punjab and Madras (particularly the latter province) alone further efforts seem to have been made to improve the efficiency of the inspectorate. The work of inspections has not suffered merely from the inadequacy of the inspecting staffs ; it has also suffered from the unsatisfactory position of the inspecting staffs in relation to the administration of primary education by local authorities.

Little attempts have been made to remedy the defects which were referred to five years ago by the Hartog Committee.

Even more disappointing is the considerable decline in the efficiency of primary education since the transfer of control. The factor which has militated more than any other against efficiency has been communalism. The majority of school boards have developed communal tendencies and this attitude has influenced the selection of the supervising and teaching staffs and their transfer and promotion".

There is a constant reference in the provincial reports to a faulty distribution of schools, to the fact that in one year large numbers of schools are started and then in another year equally large numbers of schools are closed, apparently in both cases without discrimination ; to long delays in the payment of teachers' salaries ; to the unnecessary number of transfers among teachers ; to their lack of discipline and to the unfortunate influence which many of them bring to bear in local elections to wasteful extravagance ; to the appointment of untrained and unqualified teachers when trained teachers are available : to communal and local dissensions ; to grave irregularities and neglect of the rules.

An inspector is by no means omniscient and should not therefore claim to be omnipotent, but it is his duty, as the agent of the Government, to take all possible steps for ensuring that the development of primary education is carried out on the best possible lines and that irregularities are not committed.

Most of the opinions received from the provinces support the contention that the strengthening of the inspectorate, both in quality and in quantity, provides the best means of counteracting these dangers.

The position is infinitely more difficult, however, in those provinces where the duties of inspection have been transferred to local authorities and where, in consequence, the staffs of Government inspectors have been reduced to a minimum.

THE EDUCATIONAL SERVICES

Many of the grave defects reported by the provinces have been due very largely to the cessation of recruitment to the Indian Educational Service and, still more, to the long delay in substituting anything in its place. It was the intention of the Lee Commission that a new Provincial Service (Class I) should be created in each province without delay, and that as the posts in the Indian Educational Service fell vacant, similar posts in the new services should be created and filled. Had these essential steps been taken at once the higher cadres would have been kept up to strength and Education departments would have been reinforced by the recruitment of men and women with adequate experience and qualifications. With the failure to do so, it will be a long time before the work of education in India can recover from so serious a setback in the efficiency and competence of the higher personnel. A serious factor in the situation is that the vacant posts have been filled for so many years by makeshift arrangements with the result that it will be difficult to pass over the claims of men and women who, though deficient in the necessary qualifications, have at any rate done their best in trying circumstances. Thus, the standard of competence in the new services has been jeopardised from the outset.

It is some consolation however to note that in certain provinces like Madras final orders on the institution of the Superior Educational Services were passed in 1930, but no effect had been given to these orders in the quinquennium.

The reconstruction of the Superior Educational Services will not have been concluded, however, by the actual creation of those services. A further and important aspect of the question still requires consideration.

The Lee Commission emphasised the importance of "protecting it (Government Service) so far as possible from political or personal influences and of giving it that position of stability and security which is vital to its successful working as the impartial and efficient instrument, by which Governments, of whatever political complexion, may give effect to their policies."

In spite of these warnings, little seems to have been done towards ensuring that impartial and expert advice shall be available to Ministers in their difficult and invidious task of filling up vacancies in the new superior services. It would be disastrous to the well-being of Indian education if these services became tainted by political or personal influence.

THE LEGISLATURES AND EDUCATION

The Central Legislature has continued to evince keen interest in educational matters. A number of resolutions bearing on educational topics have also been moved and have led to valuable and interesting debates. A few bills relating to educational matters were moved in the Central Legislature during the quinquennium.

Provincial reports speak hopefully of the continued interest taken by the several legislatures in India in matters educational. A pleasing development is that the legislatures, in general, are tending to confine themselves to discussion of broad questions of policy, whether by means of resolutions or by token cuts in budgets rather than to dislocate arrangements by making serious and sudden deductions in budget allotments. On the other hand, reference is made in reports to the very large number of questions asked in some councils. The preparation of answers to many of these questions involves an immense amount of time and labour, and therefore indirectly of expenditure. A large number of committees have been appointed during the quinquennium to consider educational questions.

UNIVERSITY EDUCATION

Eighteen years ago, there were but five universities in the whole of India and they were the affiliating Universities of Calcutta, Madras, Bombay, the Punjab and Allahabad. Much criticism has been passed against and on behalf of affiliating Universities. The publication of the report of the Calcutta University Commission was the forerunner of a large number of universities being instituted. A certain number of these have assumed affiliating functions over comparatively large areas. Others of the unitary or semi-unitary type have been brought into existence.

There are now in India eight universities (Calcutta, Madras, Bombay, Punjab, Patna, Nagpur, Andhra and Agra) which are of the affiliating type and there are ten (Benares, Aligarh, Dacca, Allahabad, Lucknow, Rangoon, Delhi, Hyderabad, Mysore and Annamalai) which are to a greater or lesser extent of the unitary type. The Indian University system is still overburdened by an excessive number of students, often with inadequate qualifications. This weakness has been accentuated by the removal of the age-limit for Matriculation with the result that the more competent students, who might be expected to raise the standard and tone of the universities, often enter a university prematurely and render even more complex and difficult the teaching and other arrangements.

Many efforts have been made to improve the condition of affiliating universities. Relief has been given in certain cases, especially in Calcutta and Madras, by the creation of new universities within their original sphere of jurisdiction.

Unitary universities in India can be divided into two categories. The first category consists of those universities which are strictly unitary in type, in which all teaching of a formal nature is conducted by the university and not by colleges; the second category consists of universities which, though they do not possess the power of affiliating colleges at a distance, have associated with them constituent colleges in close proximity. In such instances, the university has considerable powers of control over its constituent colleges.

Most universities of the first category are in the United Provinces. Those of the second category belong to the type of universities like that of Rangoon. The latest addition to unitary universities in India is the young Annamalai University, and this university seems to have made praiseworthy efforts to render its teaching more efficient than usually obtains in India by introducing a tutorial system, the distinguishing feature of which is that small batches of not less than three students are committed to the charge of members of the staff.

There is a wealth of experience drawn from experiments in many places and in many directions. Unitary universities in India have not been successful in affording relief to the already overstrained affiliating universities.

Unitary universities have often risen through a process of annihilation of colleges and little is said in the reports about the actual working of the constitutional machinery in those universities, but there are indications that the procedure

is unnecessarily complicated with the result that time and energy are too often diverted from the primary functions of teaching to the less important function of attending meetings. Authority is often unduly centralised and insufficient scope is given to heads of university department and to other important officers.

In every university there is danger of power passing into the hands of a small clique of interested persons, but the danger is greater if a university is located in a small centre where there is a paucity of interests and which is aloof from the wider currents of public life. In such cases the best remedy is to make ample provision for the representation of outside interests and persons; this can best be affected by preserving a sufficient measure of nomination. An almost inevitable concomitant of the affiliating system, unitary universities would be more economical. But such is far from being the case.

One of the main causes of the high expenditure is the unregulated competition which now runs riot between universities, affiliating as well as unitary. Each university seeks to be a self-contained unit, bent on providing ample facilities for higher education and research in almost every conceivable subject, heedless and often ignorant of what is being done in other universities. The danger of overlapping is particularly great in the domain of science in consequence of the high initial and annual expenditure involved.

It is difficult to suggest remedies to prevent this insidious form of extravagance, India should have a university system which will promote higher learning and research, which will provide suitable training for her young men and women, which, above all, will be within her means.

Considerable improvement has been made in this direction in the United Kingdom by the agency of the University Grants Committee which keeps in close touch with universities and is thus in a position to give authoritative and experienced advice not only to grant-giving authorities but also to universities themselves. The success of this Committee should be a valuable guide to India in determining this difficult problem.

Another contributory cause of extravagant duplication is the provision of wider scope and responsibility for university teachers to exercise a greater control over academic matters by the reconstruction or the institution of academic authorities, academic councils, faculties, and the like. There is reason to fear that these bodies have sometimes trespassed into the domain of finance. University administration as it exists at present seems to be very complex. Institution of Standing Finance Committees is a move in the right direction but Standing Finance Committees need assistance by the preparation of complete memoranda showing the implications of all such proposals from every aspect.

It is also doubtful whether much further relief can be given to affiliating universities by their being split up into a number of similar universities.

Another matter which has given rise to a keen controversy is the assumption of teaching functions by affiliating universities. It is also of doubtful value to build up teaching universities by periodical withdrawal of teaching functions from the colleges and by vesting them directly in the university. University teaching should supplement and not supplant, the activities of colleges. While on the one hand the university should be prepared to admit the colleges as such into partnership its governance on the other hand the colleges should be prepared to surrender to the university an effective measure of control so that the resources of all shall be used in the most effective and economical manner, which condition thus leads to the idea of a federal university. In the matter of finance again, it was suggested that a federal university in addition to its constituent colleges handing over to the university an effective measure of control in respect of finance and appointments, would conduct negotiations on behalf of its colleges with grant giving bodies regarding proposals for further financial assistance. For this purpose, a university in India would forward to Government all applications for additional grants whether for itself or for its constituent colleges together with a reasoned statement of the present position and of future requirements. Such procedure would be calculated to combine economy with efficiency.

A similar principle obtains in making appointments, especially senior appointments, in constituent colleges. It is not merely a matter of ensuring that recruits to college staffs shall possess adequate qualifications; such objective might be obtained by the recognition of individual teachers, though the means of carrying out such a policy might be difficult. It is more important that new recruits shall possess those special qualifications which are most required by the university as a whole.

A new appointment should be the means of filling up and not, as so often happens, of duplicating of what is already available. A university should therefore have an effective say in the making of appointments, though precaution should be taken to avoid appointments, which would be antagonistic to the ideals and traditions of a college.

This is a matter of vital importance. It is the teachers who make a university ; if, therefore, a university is to obtain the best teachers and to ensure condition which will enable them to do their best work, it must have some say in their appointments and in maintaining for them sound conditions of work and service. These suggestions for bringing about a better co-ordination of teaching resources under the control and supervision of universities, however, will be but palliatives of the present discontent so long as universities continue to be overburdened and, indeed, overwhelmed by functions which should not come within their scope. The root of the trouble is, as has been suggested, the ever-increasing number of students, many of whom are unfitted to benefit by university education.

It has been suggested by the Calcutta University Commission as well as by other authorities and persons that a remedy for this defect would be to remove the intermediate classes from the jurisdiction of universities and also to strengthen the school foundations by the formation of intermediate colleges. Attempts have been made to carry out, though incompletely, this proposal notably in Bihar, the Punjab, the United Provinces and at Dacca. The root of the trouble, however, lies deeper. It is not sufficient merely to remove the intermediate classes from the jurisdiction of the University and to substitute similar classes either at the top of an already overburdened school or in combination with a couple of classes wrenched away from existing high schools ; it is even more necessary to reconstruct the whole system of school education.

The problem will not be solved merely by the arbitrary removal of these pupils who are not really keen on university career. It is not equitable that boys should be denied all facilities for education, merely because they have no bent for a literary education. Effective substitutes more suited to their needs and responsibilities are required.

Such a substitute would be a type of higher vernacular education in rural areas which will be capable of expansion, which will be in harmony with village conditions and requirements, which will train up boys and girls desirous of remaining a part of the village and of spending lives of service to the countryside ; in urban areas it would take ordinarily the form of vocational training of various types, imparted in separate institutions and properly adjusted to the general scheme of education.

SECONDARY AND PRIMARY EDUCATION

The quinquennial review then traces the main causes of drift of boys to colleges and states that this drift is due to the three-class primary schools and states the result of such a drift. Rural areas are impoverished with the towns facing an ever-increasing tide of unemployment. As a remedy the review suggests a five class primary schools and facilities for vocational training at the end of this course. Secondary schools, their management, the machinery of control and expenditure are all dealt with in their turn. As regards primary education the report states that better results ought to be achieved from the present expenditure on primary education.

EDUCATION OF WOMEN

Increasing interest and inadequate support characterised the education of girls and women in the quinquennium. Provincial reports gave hopeful indications of progress and the gradual disappearance of social customs and prejudices. The report of Madras in this respect of women's collegiate education were bright.

PROFESSIONAL AND OTHER EDUCATION

The report then concludes with additional chapters on the record of professional education, vocational training, education of special classes and communities and has an interesting note on education of defectives, reformatories and adult and mass education. The Seva Sadan conducted by the Servants of India Society for the education of adult women finds an honourable mention in the report.

Much credit is due to Sir George Anderson, the Educational Adviser to the Government of India for this fascinating record of five years' educational progress in India. The review which is published in two volumes each running up to about

three hundred pages is replete with useful information and quite startling ideas on every aspect of education and educational problems in this country.

The provincial reports on which major portion of the review is based and from which the Government of India have drawn their own conclusions as indicated above, are all supplied by the various provincial Directors of Public Instruction and Education. (From the "Hindu" of Madras).

Educational Progress in Bengal

Eighth Quinquennial Review—1927-32

In the course of the eighth Quinquennial Review on the Progress of Education in Bengal for the years 1927-28 to 1931-32, published in March 1934, the Government of Bengal in the Education Department states :—

The Presidency of Bengal, excluding the Native States, has an area of 77,521 square miles and by the census of 1931 a population of 50,114,002 ; 26,041,698 males and 24,072,304 females,

POPULATION BY RELIGION AND SEX

Hindus			
Male	11,299,914		
Female	10,270,493		
	—	21,570,407	
		(43.04 per cent.)	
Muhammadans—			
Male	14,200,142		
Female	13,297,482		
	27,497,624		
	(54.8 per cent.)		
Christians—			
Male	95,849		
Female	84,450		
	—	180,299	
Others		865,672	
		—————	
Total.		50,114,002	

The Presidency contains 138 towns with a population of 3,684,330 and 86,618 villages with a population of 46,429,672. Calcutta contains nearly a third of the town-dwellers and there are only 37 other towns with a population of more than 20,000 each. The population is thus mainly rural, the ratio of rural to urban population being 12.6 to 1. There are 5 administrative divisions, 26 district boards and 118 municipalities.

The percentage of scholars (including adults) of both sexes to total population has risen from 4.05 in 1921-22 to 5.55 in 1931-32. The percentage of 1926-27 is not accurate as it was calculated on the census of 1921. It is clear that about half the boys, and five out six of the girls of school going age have not yet been drawn into schools.

CAUSES THAT HAVE CHECKED PROGRESS

Unfavourable conditions, political and financial, have again checked the progress and expansion of educational activities. Communal dissension, political agitation and economic depression have all had most unfortunate effects on the development of educational policy. The Civil Disobedience Movement and the terrorist campaign did much to undermine discipline and unsettle the youths of the province during the latter part of the period under review, and these troubles were intensified by the acute financial and economic depression, which prevented the realisation of the many long needed reforms and culminated in the appointment of another Retrenchment Committee at the end of the quinquennium.

In spite of these handicaps some progress was made and the position consolidated for a further advance as soon as financial conditions improve. The outstanding feature of the period was the enactment in 1930 of the Bengal (Rural) Primary Education Act, which provides for the establishment of District School Boards as the central authority for primary education in each district, and affords the machinery for the eventual development of free and compulsory primary education throughout the province. For its financing the scheme depends in the main upon the imposition of a primary education cess, and it is a matter of regret that owing to the prevailing depression it has not been found possible to impose additional taxation on the rural population.

Another sign of the times was the amendment of the Primary Education Act of 1919, empowering Government to authorise municipalities to enforce the compulsory attendance of girls on the same conditions as boys.

The only other educational legislation was the Dacca University Amendment Act, 1928, one provision of which gave the Executive Council final and definite authority on matters affecting the emoluments of teachers.

While the Rural Primary Education Act has been placed on the Statute Book, no further progress has been made with the proposed Bills for the reorganisation of the Calcutta University and the establishment of a Board to control secondary education. The time has come when the whole future educational policy should be carefully reviewed and the different grades of education—primary, secondary, vocational and University co-ordinated into a single comprehensive system, so that the various educational agencies can apply their energies in the most economical and effective directions and that duplication and waste of effort may be reduced to a minimum.

In all directions and particularly in the sphere of primary education, unmistakable evidence is forthcoming that the quality of the work done and the results achieved do not repay the expenditure of money and effort. Better trained and better paid teachers are essential. The insistence by the University on provident fund provision in high schools is a step in the right direction, but until the finances of the schools improve, it must in many cases be of doubtful advantage, as it is to be feared that there are too many schools which can institute such a fund only at the expense of the teachers' salaries.

The period under review is notable for the far greater insistence laid on the health and physical welfare of students and a Physical Director was appointed during the period to work out schemes of physical training and organise the activities of the schools throughout the province. The scheme involves the establishment of a physical training centre for the instruction of teachers, and it is hoped that the gradual replacement, at which the scheme aims, of the old type of drill and drawing master by graduate physical instructors will help to infuse new vigour into this important part of school life.

There has been a most notable advance during the quinquennium in the number of members of the backward classes and Muhammadans receiving education.

The increase of female scholars during the last five years has been 31.6 per cent against 16 per cent of boys while the proportion of expenditure on female education to the total expenditure on education has increased by 9 per cent only.

The educational expenditure showed an increase of 25 lakhs only or 6.3 per cent during the five years and indeed in 1931-32 it was 21 lakhs less than in 1929-30.

No further progress was made during the quinquennium in the reconstruction of the Calcutta University on the lines laid down by the Sadler Commission or in the development of the Secondary Education Board. The outstanding future of the period, so far as Calcutta was concerned, was the appointment of the University Organisation Committee. Their report formed the basis of the financial settlement, which was eventually reached between Government and the University and which on certain conditions assured the University of an annual recurring grant of Rs. 3,60,000. This has enabled the University to balance its budget and to make its plans for the future with some degree of stability.

At Dacca the most important event was the completion of the Salimullah Muslim Hall, which was constructed at the cost of Government and which provides a residence for Moslem students. Reference has already been made to the Dacca University Amendment Act of 1928.

The resolution issued in 1928 commented upon the marked fall in the number of students in the post-graduate classes of the Calcutta University. The number

increased from 989 in 1926-27 to 1,483 in 1929-30, but fell again to 1,144 in 1931-32, the decrease corresponding to the period of economic and political troubles.

There was a gratifying increase in the number of women students in the post-graduate classes.

Another satisfactory feature has been the growing realisation of the importance of the extra-academic activities which University life offers; greater attention is now paid to the physical welfare and medical examination of the students, and the various athletic activities of the University have been co-ordinated under the auspices of the Calcutta University Athletic Club.

No new college was opened during the period but 4 Anglo-Indian schools adopted the University course, and there are now 33 first grade and 16 second grade or Intermediate Arts Colleges of which 4 are for women. Of these 12 are managed by Government, 21 are aided and 16 unaided. The total number of students decreased from 22,420 to 19,744. Nearly all the colleges shared in this decrease; but the Calcutta colleges naturally suffered less than those in the mufassal, which were more immediately affected by the depreciation in agricultural prices.

The decrease in the number of students living in hostels from 5,802 to 3,780 and the fall in the number of Moslem students from 3131 to 2566 may be attributed to the same causes; the decrease in the number of hostel boarders is a development requiring careful attention as it means that more students are living in conditions which render effective control difficult.

The difficulties of the college authorities were increased when Government found itself compelled to suspend the Imperial grant of Rs. 1,29,000 on which private colleges had become accustomed to depend for the purchase and renewal of laboratory and library equipment.

Increased rates of fees in all colleges appear to provide the only means of effecting a general improvement in college finances and in normal times would be completely justifiable, but whether at the present time such increase would impose undue hardships and result in decreased roll strength, thus defeating the object in view, is a matter that requires consideration.

The percentage of passes in the Intermediate and Degree Examinations has again increased. There has been a more general recognition of the value of games and physical exercise, and it is gratifying to learn that more intensive tutorial work is being done in some of the colleges.

The number of high schools increased from 985 in 1926-27 to 1,076 in 1931-32 and that of middle English schools from 1,616 to 1,845, while the number of middle vernacular schools fell from 74 to 51. The number of pupils increased from 233,343 to 256,524 in high schools and from 142,654 to 177,102 in middle English schools, and it decreased from 4,802 to 3,980 in middle Vernacular schools. Most boys who pass through the high school are aiming at the University, but only 41 per cent. of those in the highest class succeeded in passing the Matriculation during 1931-32, while 63 per cent. of those who passed that examination joined arts colleges. The other function of the high school, to provide a sound all-round training complete in itself as the requisite preparation for life, tends to be overshadowed by the obsession that Matriculation is the only goal.

In Bengal, unlike other provinces, the very large majority of schools are private schools, and of these private schools about half receive no grant from public funds; during the quinquennium under review more than fifty new unaided schools came into being. The existence of so many schools, over which little effective control can be exercised, must be regarded as one of the factors responsible for the low standard of secondary education in the province. Another contributing cause is the small proportion of trained teachers; only 19 per cent. of the teacher in secondary schools were trained, and, in spite of a considerable increase during the quinquennium, there is, on the average, not even one trained graduate teacher per school. The pay of the teachers in private schools is insufficient to attract the best type of men, and it is not strange that the teaching should lack vigour and inspiration. Higher fees would go far to remedy this and would lessen the necessity for private tuition.

VERNACULAR AS MEDIUM

Since 1930 the vernacular has been used as the medium of instruction and examination in all classes below class VII. The University has now decided definitely in favour of its use as the medium of examination for the Matriculation, and the

regulations giving effect to this are now under the consideration of Government. The regulations also provide for the introduction of vocational subjects as compulsory : one problem will be the co-ordination and reconciliation of vocational and general education. The introduction of elementary science as a compulsory subject for the Matriculation is another important departure provided in the regulations.

The total expenditure on secondary education, which amounted to Rs. 1,07,37,075 in 1936-27, rose in 1931-32 to Rs. 1,22,01,808 of which about 18 per cent. came from public sources, 67 per cent. from fees and 15 per cent. from other sources.

The number of boy's primary schools increased from 38,187 to 43,718, the rate of increase being twice as rapid as in the previous quinquennium. The total number of pupils rose from 1,398,942 to 1,632,275. The number of Moslems in the primary stage increased by 20.4 per cent. in the period.

The spread of primary education, however, is not as satisfactory as the figures would imply : the wastage was very great and the number of those who read up to class IV was comparatively small : in fact according to the census figures of 1921 and 1931 the percentage of literacy actually fell during that period. When, however, the conditions under which such education is carried on are realised, it is hardly surprising that so little real advance has been made. The village environment and public opinion generally are not such as to encourage education and there is no immediate inducement to the attainment of literacy. On an average there is 1.5 teacher to each primary school, so that any individual attention is impossible even if the teachers are willing to give it. Most of the teachers are ill paid and untrained and there are no counterbalancing amenities to attract them.

It is indeed time that a systematic effort was made to remove the prevailing illiteracy, and it is hoped that it will be possible before long to use the machinery provided by the Primary Education Act for this purpose.

There has been a remarkable expansion of primary education in Calcutta where the Corporation has extended its scheme of free primary education and now has 146 boys' schools with 17,415 pupils. The total number of primary schools was 229 with 30,064 pupils. The expenditure rose from Rs. 3,17,262 to Rs. 11,44,075 and the Corporation has now received sanction to introduce a system of compulsory education in one ward.

The number of girls' schools increased by 19 per cent., and their enrolment by 28 per cent., during the quinquennium. There were 770 girls in colleges in 1931-32 against 364 in 1926-27; 106,553 in high schools against 369,056 in primary schools. The increase was again most pronounced in the college and high school stages. The progress still appears to be slow in comparison with that of boys and the wastage even greater. In the primary stage there are 3 girls to 10 boys, but the proportion falls to 1 to 24 in the middle stage and 1 to 30 in the high stage. The number of women in arts colleges in 1931-32 was 712 against 20,912 men ; only 41 women were in medical schools and colleges and no more than 277 were undergoing training in normal schools or training colleges.

In spite of these figures, however, there are indications of a growing interest in the spread of women's education and of general appreciation of its importance. Apart from its direct effect upon education, the passing of the Sarda Act may be regarded as symptomatic of the new attitude towards female education, and a very great increase in the demand for facilities may be anticipated : the problem henceforth will be not so much to create the demand as to satisfy it.

There are four colleges for women and in addition several men's colleges have classes for women students. The number of women candidates, who passed University examinations, doubled itself at every stage. Eighty-eight secured the B. A. and 10 the M. A. degree.

The syllabus in girls' schools has been revised to include such subjects as music and domestic science, and games and drill have become popular features of the curriculum.

In 1931-32 there were 303,830 Moslem girls in public institutions, forming 56 per cent. of the whole as against 54 per cent. five years previously. The progress that has been made has been mainly in the lowest stages and only one in a hundred acquires literacy. There were 8 girls in colleges, 92 in the high stage and 225 in the middle stage. The Sakhawat Memorial Girls' School was raised to the status of a high school.

The establishment of more Government girls' school and of a women's training college, to which reference is made elsewhere, has been held up by want of funds,

but the demand for such facilities will compel an early solution of these problems, and it is still not too late to organise the whole scheme of women's education on a systematic and comprehensive basis.

The total expenditure on girls' institutions rose from Rs. 22,07,483 in 1926-27 to Rs. 29,39,000 in 1931-32, 57 per cent. of this came from public funds.

The number of Muhammadan pupils rose from 1,139,949 to 1,437,655, i. e., by 26 per cent. They now provide 51.6 per cent. of the total number of pupils. Although the wastage is much greater among Muhammadan pupils, the perceptible increase in their proportions in the high and middle stages indicates that the community is realising the value of higher education and it is perhaps significant that 1,455 Muhammadans (or 12.8 per cent. of the total number of successful candidates) passed the Matriculation Examination in 1931 as against 817 (or 10.5 per cent.) in 1927. The number of maktabs increased by 5,108 and their roll strength by 231,087 during the quinquennium. The numbers attending high and junior madrasahs were 5,004 and 51,852 in 1931-32 against 4,204 and 44,475 in 1926-27.

The most noteworthy events during the period were the completion of the Muslim Hall in the Dacca University in 1931, the raising of the Sakhatwati Memorial School to the status of a high school and the appointment in 1931 of the Moslem Education Advisory Committee. The Muslim Hall was constructed at the cost of Government to provide a residential hall for Moslem students : the Sakhatwati Memorial Girls' School, Calcutta is the first and only Muslim Girls' High School in the province : the Moslem Education Advisory Committee was appointed to advise on the right lines of development for Muhammadan education and much benefit is expected to result from its recommendations.

Government Report on Public Instruction in Bengal 1932-33

"The year 1932-33 witnessed slow but steady work by the Department of Education in the direction of the spread of education. The advance in the number of schools and pupils showed that the wave of political unrest had spent its force, at least outwardly and educational affairs were adjusting themselves to more normal conditions," stated the Government report on Public Instruction in Bengal for the year 1932-33.

The acute financial and economic depression through which the country was passing prevented the introduction of the full scheme of Bengal (Rural) Primary Education Act, 1930, but the District Boards of Mymensingh, Chittagong, Pabna, Dmajpur, Noakhali, Birbhum and Bogra agreed to participate in the optional scheme worked out by Dr. W. A. Jenkins.

The scheme for the introduction of free and compulsory primary education in Ward No. IX of Calcutta without levying any education cess and without receiving any subsidy from provincial revenues which was prepared by the Corporation was sanctioned by Government and will come into operation shortly.

In modification of rule 4 of the rules for the award of free-studentships to pupils of the backward classes who used to enjoy free places up to 5 per cent. of their own enrolment, they are now allowed such concessions up to 15 per cent. of the enrolment.

Many secondary schools started agricultural classes while some middle English schools extended the course above the middle stage with departmental sanction and aid. As a measure of retrenchment the grants to secondary schools and colleges had to be reduced.

A general cut ranging from 10 per cent. to 15 per cent. from the salaries of Government servants holding permanent and officiating appointments respectively above a prescribed minimum was in operation.

Deputation of Government servants to the Training Colleges was stopped.

Twenty-five posts of Sub-divisional Inspectors of Schools were replaced by Sub-Inspectors of Schools.

Towards the end of the year the Parliamentary White Paper containing proposals of His Majesty's Government on constitutional reforms in India was published. The proposals in many respects are far-reaching. As one of the proposals was the introduction of an educational qualification for franchise, the whole question of the education of the masses has assumed great importance.

The progress made in education in Bengal during the year can be measured by the following tables which give comparative figures for 1932-33 and the preceding year—

	1931-32	1932-33
	Number of institutions	
Recognised	67,406	68,773
Unrecognised	1,630	1,554
Total	69,036	70,327
	Number of pupils	
In recognised institutions	2,720,061	2,797,387
In unrecognised institutions	63,164	65,704
Total	2,783,225	2,863,091
	Number of pupils by sex	
Male	2,223,513	2,255,552
Female	559,712	607,539
Total	2,783,225	2,863,091

The following table gives comparative figures for the various kinds of institutions classed as "recognised" (recognised, that is, either by the University of Calcutta, the Board of Intermediate and Secondary Education or by the Department of Public Instruction) :

Recognised institutions—

	1931-32	1932-33
Colleges	68	70
High schools	1,157	1,186
Middle schools	1,969	1,935
Primary schools	61,162	62,719
Special schools	3,050	2,863

The source from which these institutions draw their support is noted below :—

	1931-32	1932-33
Maintained by Government	322	322
Maintained by district boards	4,204	4,230
Maintained by municipalities	357	365
Aided from public funds	52,395	53,666
Unaided	10,128	10,190

There was a decrease in the total expenditure on public instruction in the Presidency compared with the previous years :—

Expenditure on public instruction from—	1931-32	1932-33
	Rs.	Rs.
Provincial revenues	1,44,46,851	1,35,21,433
District board funds	16,48,662	17,09,215
Municipal Funds	15,04,943	15,57,101
Fees	1,80,02,579	1,82,65,177
Other private sources	66,84,001	66,98,625

Total 4,22,87,036 4,17,51,551

The work of the various missionary societies—both Indian and non-Indian—and other organisations also deserve special mention for their whole-hearted endeavours especially for the spread of education among women and the members of backward communities.

UNIVERSITY AND COLLEGE EDUCATION

The following comparative table shows the number of students (both post-graduate and undergraduate) reading in the University of Calcutta during the last 2 years—

	1931-32	1932-33
In M. A. classes	888	894
In M. Sc. classes	256	247
Under-graduate student (in Commerce classes)	89	108
Women students	26	52

It is gratifying to note that the number of women students doubled itself in course of the year.

The number of students belonging to the 3 faculties of Arts, Science and Law at the Dacca University declined slightly from 719 to 716 (including 28 research students and 24 women students). Besides this number there were 35 students reading in the B. Com. classes. It is reported there was a marked decrease in the number of Law students of Dacca University. It is not likely that there will be appreciable improvement in the number of students while the present acute economic distress continues.

COLLEGES

The total number of arts colleges rose during the year from 49 to 51, of which 45 were for men and 6 for women. The enrolment of arts colleges increased from 19,744 to 20,867. The total cost of maintaining arts colleges fell in the year under report from Rs. 35,39,603 to Rs. 34,67,254.

Of the 45 arts colleges for men 10 were, as previously, maintained by the Government, and the rest were managed by private associations and in many cases with grants received from Government.

A sum of Rs. 19,93,30 was distributed by the department in the year under report in giving grants to private colleges; on account of financial stringency, however, the distribution of the grant of Rs. 129,000 which is given on the recommendation of the Calcutta University to non-Government colleges for the improvement of libraries, laboratories and gymnasiums was not made. For the same reason, the maintenance grants of private colleges were reduced by 10 per cent.

The number of Government colleges was 10 as before: these colleges registered 3205 students on 31st March 1933 as compared with 3245 on the corresponding date of 1932. The maintenance of these colleges cost Government Rs. 13,36,032 in the year under review of which Rs. 9,16,984 was provided from provincial revenues; so that the average annual cost of educating a student was Rs. 417, of which Rs. 286 was met from provincial revenues.

SECONDARY EDUCATION

The following table gives comparative figures for all secondary schools in the province for the years 1931-32 and 1932-33:—

Number of schools:—

	1932-33	1931-32
High	1,186	1,157
Middle English	1,873	1,904
Middle Vernacular	62	62
Number of pupils	456,175	451,672
Cost of maintenance	Rs. 149,09,770	148,50,159

The average annual cost of educating a pupil in a secondary school in 1932-33 was Rs. 32-6-0 and that of maintaining a school Rs. 47,762.

SCHOOLS AND PUPILS

The total number of secondary schools for Indian boys fell during the year under review from 2,975 to 2,966. High schools increased from 1,076 to 1,103, while middle English schools declined from 1,845 to 1,809. Middle Vernacular schools on the other hand remained stationary at 54. Pupils reading in high schools rose by 7,560, while middle English and middle Vernacular schools reported a loss of 3,627 and 198 pupils respectively.

EXPENDITURE

The total direct expenditure on secondary schools for Indian boys amounted during the year under review to Rs. 1,22,96,193 as compared with Rs. 1,22,01,808 in the previous year. Of the total expenditure Rs. 20,46,896 came from public

funds and Rs. 1,02,49,297 from private sources against Rs. 21,72,155 and Rs. 100,29,653 respectively in the previous year. Reduction of the allotments for departmental grants-in-aid by 10 per cent. owing to financial stringency and inability of some of the district boards to pay grants-in-aid to middle schools regularly throughout the year are responsible for the decrease in expenditure from public funds. High English schools cost Rs. 94,56,310 and middle English schools Rs. 27,85,136, against Rs. 92,77,423 and Rs. 28,68,776 respectively in the previous year. The cost of maintaining middle Vernacular schools decreased from Rs. 55,609 to Rs. 54,747. As a measure of economy the grants-in-aid allotment was reduced by 10 per cent. The managers of some schools had in their turn to reduce the salaries of teachers and to suspend other necessary items of expenditure.

EXPERIMENTS IN EDUCATION

There was nothing in the year under report which deserves special mention. An experiment on merit method has been adopted in class VIII of the Jamalpur Government High School. The aim of the method is to infuse a spirit of competition in the boys and bring the backward boys up to the mark by gradually rousing a willing activity in them. The result is not yet known. The new method of teaching English as devised by Dr. West following the alternative syllabus of studies in secondary schools was introduced in some of the high and middle schools in the Rajshahi Division. The method is still in its experimental stage. The project method which was in operation in Bhimpore Sonthal High School in the district of Midnapore did not bring in very good results and apparently has been given up.

The condition of secondary schools particularly of those in rural areas continues to be unsatisfactory. In many cases the salary of teachers has fallen into arrears. The problems which face secondary education to-day are chiefly those of control, curriculum and finance. At present the schools are under a dual control and the sooner it is unified the better for the schools. The curriculum also needs revision so that it may be of more practical utility to boys. Thirdly, sufficient funds, without which no improvement is possible, are urgently required. There is not the slightest doubt, however, that there are many secondary schools of very indifferent quality and that there is ample room for amalgamation of some of the schools which might lead to greater efficiency in the remaining schools.

PRIMARY EDUCATION

During the year 1932-1933 the total number of primary schools for boys and girls in the Presidency rose from 61,162 to 62,719 or by 2.5 per cent. Pupils attending primary schools of all types also increased from 2,116,278 in 1931-1932, 2,192,130 in 1932-1933 or by 3.6 per cent. The total cost of maintaining primary schools amounted in the year under review to Rs. 81,81,709 as compared with Rs. 81,65,541 in the preceding year. The average annual cost of running a primary school was Rs. 1,544; the cost of educating a pupil was Rs. 3.8.

Primary schools for Indian boys rose from 43,718 in 1931-1932 to 44,633 in 1933-1934, the increase being shared by all the divisions except Chittagong.

On the 31st March 1933, there were in Calcutta 483 primary schools for Indian boys attended by 39,017 pupils as compared with 477 schools having 37,852 pupils in the previous year. Of these pupils 24,507 were Hindus and 13,113 were Muhammadans, the rest being of other communities. Boys reading in primary schools and in the primary department of secondary schools together numbered 51,020 on 31st March, 1933, against 49,396 on the corresponding date of the previous year. The total cost of maintaining the primary schools in Calcutta amounted to Rs. 7,27,830 as compared with Rs. 6,82,278 in the year preceding. Of the total expenditure Rs. 6,11,840 was met from public funds and Rs. 1,15,990 came from private sources. The Corporation free primary schools for boys which are included in the above figures rose in number from 146 to 147.

The Corporation of Calcutta have prepared a scheme for the introduction of free compulsory primary education in Ward No. IX of the city without levying any education cess and without any subsidy from provincial revenues. The scheme was sanctioned by Government in January 1933 and will come into operation shortly.

NIGHT SCHOOLS

On the 31st March 1933 the Presidency had 1,187 night schools with 28,619 pupils reading in them. The night schools which usually teach the lower primary

course, are held in the evening for about two hours daily and are attended mostly by adults who are unable to attend day classes owing to their occupations.

LAW COLLEGES AND CLASSES

Facilities for the study of Law were provided, as in previous years, by the University Law College, Calcutta and the Law Departments of the Ripon College, and the University of Dacca. The number of students reading in the three institutions fell from 2,527 to 2,334. Of the total enrolment 1,945 were Hindus and 368 were Muhammadans; the rest belonged to other communities. The total cost of maintaining the University Law College and the Law Department of Ripon College amounted in the year under report to Rs. 2,21,160 as compared with Rs. 2,72,060 in the previous year. Of the 1,460 students who appeared in Final B. L. Examination from the three institutions 726 were successful.

Advanced medical education was provided, as before, by 3 institutions in the Presidency, viz., the Calcutta Medical College, the Carmichael Medical College, Belgachia and the school of Tropical Medicine and Hygiene. The three institutions together had 1,331 students (including 17 women) on 31st March 1933, as against 1,318 students (including 15 women) on the corresponding date of 1932. Of the total roll strength 1,182 were Hindus, 85 were Muhammadans and 64 were of other creeds. The upkeep of the 3 institutions cost Rs. 8,81,311 during the year under report as compared with Rs. 9,48,723 in the previous year. In the Final Examination of the three institutions 178 students passed out of 515 that appeared. Practical hygiene work of D. P. H. students is now being done in the All-India Institute of Public Health and Hygiene, which was officially opened at the end of 1932.

As in the previous year there were 9 recognised medical schools in the Presidency attended by 2,387 students (including 30 women) as compared with 2,418 students (including 26 women). Of the total enrolment 2,104 were Hindus and 241 were Muhammadans, the rest being of other creeds. The cost of maintaining medical schools amounted in the year under report to Rs. 5,51,871 as against Rs. 4,91,355 in the preceding year. The Medical schools presented altogether 959 students at the Final Examination, of whom 496 were declared to have passed.

On the 31st March 1933 the Bengal Engineering College, Sibpur, reported an enrolment of 289 pupils (viz, 167 in the Civil Engineering classes, 74 in the Mechanical and Electrical Engineering classes and 47 in the Industrial classes) as compared with 307 in the previous year. Of these students 239 were Hindus, 39 were Muhammadans and 10 were Europeans and Anglo-Indians. The cost of maintaining the college amounted in the year under review to Rs. 3,60,495, of which Rs. 2,96,058 was borne by provincial revenues; the corresponding amounts in the previous year were Rs. 3,98,599 and Rs. 3,39,310 respectively. The average annual cost per student worked out at Rs. 1,234, of which Rs. 1,014 was met from provincial revenues.

On the 31st March 1933 there were 5 art schools in the province as previously, the chief of which was the Government School of Art, Calcutta. Of the four other schools, 3 were in receipt of aid from public funds. The Government School of Art had 254 students in the various departments as against 237 in the previous year. Of these students 236 were Hindus and 8 were Muhammadans, the rest being of other creeds. The cost of maintenance amounted in the year under report to Rs. 42,625, of which Rs. 30,197 was borne by Government; the corresponding amounts in the previous year were Rs. 44,880 and Rs. 33,400 respectively. Of the 23 students, who appeared in the Final Examination 22 were successful. On financial grounds the Commercial Art Section attached to the school has been allowed to continue on a temporary basis; the Principal considers that the students joining this section have a very bright future.

The number of music schools in the Presidency rose from 8 to 10 during the year under report of which 6 received 504 pupils on 31st March 1933 as compared with 300 on the corresponding date of 1932. The increase in numbers is due to the fact that the Calcutta School of Music was not shown under this head in previous years.

EDUCATION OF INDIAN GIRLS & WOMEN

At the close of the year 1932-33 there were in Bengal 18,538 educational institutions of all grades and types for Indian girls having a total enrolment of 500, 307 pupils; the corresponding numbers in the previous year were 17,898 and

4,64,850 respectively. Thus the number of schools meant for Indian boys and girls during the period under report is as follows:—

Class of institutions	Boys	Girls
Arts colleges	1,065	1
Professional colleges	844	
Secondary and Primary schools	3,51,229	66,459
Special schools	9,422	478
Unrecognised schools	6,390	1,332
Total...3,68,950		68,780

On the 31st March 1933, there were in Bengal 1,554 unrecognised schools with 65,704 pupils compared with 1,630 schools attended by 63,164 scholars on the corresponding date of the previous year. These schools do not adopt any of the course of studies prescribed by the University of Calcutta, the Board of Secondary Education, Dacca, or the department.

The up-keep of the hostel reserved for the Nizamat boys costs Government Rs. 5,440 during the year.

The figures quoted below show the number of boys and girls belonging to backward communities that were under instruction in the various grades of institutions in the Presidency on the 31st March 1933, and will give some idea of what progress increased by 640 and that of pupils attending them by 35,457 during the year under review. Girls reading in girls' schools together with those who were under instruction in boys' schools numbered 6,02,361 on 31st March 1933. Of this total 2,56,097 were Hindus and 3,35,105 were Muhammadans; the rest were of other communities. Altogether 8,633 boys were attending girls' schools during the year.

There were as previously 2 Inspectresses and 12 Asst. Inspectresses of Girls' Schools in the Presidency; these officers were distributed equally between East and West Bengal.

There is no special institution in Bengal for the education of the sons and wards of chiefs and nobles, but in the Nawab Bahadur's Institution at Murshidabad there are special arrangements for teaching the boys of the Nizamat family. These boys reside in a separate hostel under the supervision of the Head Master who is assisted by an Ataliq. The number of Nizamat boys under instruction on 31st March 1933 was 26 against 24 in the previous year.

Education in United Provinces 1932-33

"The number of educational institutions has decreased by 486 mostly under the head, district board, namely, village school. However, there is a total increase in the number of pupils under instruction amounting to 17,220". The above observation was made by the director of public instruction in the general report on public instruction in the United Provinces for the year ending March 31, 1933, issued from Lucknow in February 1934.

These village schools were closed as a measure of economy but the educational effect is probably small as the schools closed were mostly redundant uneconomic schools with an enrolment under twenty much of which was possibly fictitious.

An increase of 1,837 and 1,809 in boys primary and secondary schools respectively were recorded while students studying in university showed a decrease of 271 and increase of 8,479 was noted in girls' schools.

There was also an increase of roughly 6,000 girls reading in boys schools but these were counted under boys education. The balance of the increase was under oriental institutions, training schools and other special schools. Last year there was a total decrease of 3,760 in the numbers under instruction so that it appears that the fall in number has now been arrested. Yet this is chiefly due to the increase in the number of girls under instruction which increase is roughly 14,000. The sudden spurt in the rate of increase in the number of girls under instruction may

be explained by the greater interest now taken, the special efforts of Government to find the money, the increase in the number of teachers available and the rapid change in public opinion.

The expenditure has naturally decreased, most markedly expenditure from Government funds owing to the retrenchment cut in salaries and other economies.

The corresponding percentages to total last year were Government funds 56, district board funds 9.5, municipal board 3.9, fees 17.3, other sources 13.3.

Out of the 85 municipalities in the province 36 have introduced compulsory primary education in whole or part of their area. Compulsion was withdrawn from Farrukhabad as the board could not proceed with the scheme. Lucknow is the largest municipality. Compulsion has been applied to five wards out of eight in 1929. Bad organisation, bad attendance and bad teaching to use the words of the director of public instruction, are stated to be the reasons for the prodigious figure of 50 per cent of boys who have stagnated in their infant classes for over a year, while in many cases, it is stated there are boys who have lingered herefor over three and even five years. This deplorable state of things is said to be due to the board's complete antagonism to the department in the past when it was under the influence of Congress politicians'. There has been very little honest work and no disciplinary influence for the most of the teachers were too closely bound up with local politics'. Of late however there have been tendencies towards improvement. The buildings in which schools are held are all insufficient; only nine out 39 schools are held in board buildings. Of other large municipalities Cawnpore has compulsion in four wards and 7,224 boys of compulsory age are under instructions. The results to date are disappointing. Compulsion in municipalities is easy to enforce owing to the ease with which a census may be taken and the compact nature of the area, but progress has been slow.

Altogether the scheme is in force in 24 districts ; Farrukhabad district alone having to abandon the scheme due to financial difficulties. The inspector of Mahomedan schools considers that compulsory education has been more of a success where it had been operated by district boards than in a municipal area'.

Education in Bombay 1932-33

"The Government are pleased to note that discipline is on the whole satisfactory that school and college authorities were alive to their duties and responsibilities and dealt with occasional cases of insubordination with tact and firmness", stated the Government resolution, issued from Bombay in March 1934, reviewing the annual report of Public Instruction in Bombay Presidency for 1932-33.

Referring to the University Education, the Government note with satisfaction that the University has taken steps for creating a department for post-graduate education in technology. Despite the economic depression, it is noteworthy that the demand for higher education is increasing as is clear from the increase of University students by 758 during the year under review.

Of the total expenditure on Secondary Education, 23 per cent was met from provincial funds. As regards primary education, which shows a decline, Government regret that grants had to be curtailed owing to financial stringency. The total number of primary schools decreased by 133 and the number of pupils receiving primary education by 3,449. The Government point out that this cut in the grants to primary schools has been partially restored during the current financial year.

Touching on female education, the resolution says the progress is very encouraging. The number of pupils from backward classes showed a decline of 7,411 which is attributed to economic factors, namely, poverty of the backward classes and trade depression resulting from low prices for agricultural produce. The resolution, however, mentions that special facilities have been provided by the Government for the encouragement of education of backward classes.

Concluding the Government note with satisfaction that, despite a fall of 17 and half lakhs in the education expenditure, owing to financial stringency, the setback to education in the Presidency was comparatively small during the year under review.

EDUCATION IN MADRAS 1932-33

Reviewing the annual report of the Director of Public Instruction, Madras for the year 1932-33 the Government passed the following order in March 1934.

The year 1932-33 was a result of the prevailing financial stringency, marked by retrenchment in various directions. With a view to effect economies, the three commercial institutions and the School of Engineering Vizagapatam, under the management of Government were abolished; and some courses of study in certain Arts Colleges were discontinued followed by a corresponding reduction in the number of gazetted posts. Stipends granted to teachers undergoing training in the L. T. B. Ed., and Secondary training classes were abolished, and the rates for elementary-grade teachers were reduced whilst, on the other hand, in order to augment receipts, tuition fees in Government Colleges were raised and a system of levying registration fees from pupils payable on admission was introduced.

In the field of University and Collegiate Education there is little of note to record except the rapid progress made in the building of the University College of Arts and the Jeyapore Vikramadeo College of Science and Technology of the Andhra University, Waltair.

As compared with the year 1931-32, there was a fall in the number of recognised elementary schools for boys and in their strength. In the review for the quinquennium ending 1931-32 the Government observed that local bodies were slow in formulating schemes in accordance with Mr. Champion's proposals for the consolidation and concentration of elementary schools and the question how to give more rapid effect to the recommendations in this report was under the consideration of the Government during the year. Since the close of the year under review, the Government have accepted the suggestion of the Director of Public Instruction that schemes for the concentration and amalgamation of elementary schools should in the first place be drawn up in the districts by the officers of the Department.

As a result of a departmental investigation into the working of night schools and other part-time schools very many of these schools were closed down during the year.

The Government note with satisfaction that in spite of a decrease in the number of institutions intended for girls the number of girls in all stages of instruction including those studying in boys' schools showed an appreciable increase.

Notwithstanding the decrease in the number of institutions chiefly intended for Mahomedans, their strength showed a slight increase. Since the close of the year, orders have been passed on certain of the recommendations contained in the Mahomedan Education Committee's Report.

There was an appreciable fall both in the number of public institutions mainly intended for the Depressed Classes and in their strength, as also in the total number of pupils of these classes studying in schools not specially intended for them. This is probably attributable to the fact that while separate schools for Depressed Classes are being gradually abolished, the pupils formerly reading in these schools have not yet found their way in any large numbers into the general village schools. The Director of Public Instruction has been asked to examine the causes for the poor attendance of pupils of these classes in the general schools and suggest measures for removing them.

Notwithstanding the retrenchment referred to above, the working of the Department during the year under review was satisfactory and the Government congratulate the Director and the officers subordinate to him on their work.

Education in the Punjab 1932-33

The annual report on the working of the Education Department in the Punjab for the year ending the 31st March, 1933, issued in February 1934, shows that in spite of unusual economic depression the department has made steady progress in

certain spheres of its activities. Although the total number of institutions of all kinds had decreased, it was due to the closing down of a number of inefficient and wasteful primary and adult schools and to a decrease in the number of unrecognised schools for girls.

The problem of rural education has been engaging the attention of the department for a number of years and it is hoped that the new point of view from which this problem is being tackled by making education an organic part of the life in the villages will produce more enlightened, more efficient and more contented villagers.

Despite many adverse circumstances, the areas under compulsory education have increased by 95 and it is necessary that an intensive propaganda be launched to create strong public opinion in favour of the enforcement of compulsion.

During the year under review a great number of students of Vernacular Middle Schools with farms have begun to settle down on the land and have started agriculture on modern methods with satisfactory financial results. This indeed promises to offer a partial solution of unemployment among the rural population.

Although the figures for girl students still compare unfavourably with those for boys, female education has made considerable progress and there has been a notable increase in the number of girls under instruction. Notable among institutions for girls opened during the year is the Stratford College for Women, Amritsar. It is hoped that this will meet the increased demand for collegiate education among girls to some extent.

The Prayag Mahila Vidyapitha Convocation

The annual convocation of the Prayag Mahila Vidyapitha (Allahabad Women's University) was held on the 20th January 1934 in the Vidyapitha Hall, Allahabad. Dr. Kailash Nath Katju (chancellor) presided and conferred degrees.

Pandit Jawaharlal Nehru, who was to address the Vidyapitha graduates on the occasion of the convocation, was unable to be present as he could not return from Calcutta. His address was, therefore, read to the convocation by Babu Sangam Lal Agarwala, vice-president of the Vidyapitha. In the course of his address Pandit Jawaharlal Nehru said :—

Many years ago—so much has happened during recent years that I have almost lost the exact count of time and even a few years seem long ago—I had the honour of laying the foundation stone of the hall of the Mahila Vidyapitha. Since then I have been engrossed in the dust and tumble of politics and direct action, and the struggle for India's freedom has filled my mind. I have lost touch with the Mahila Vidyapitha. During the last four months that I have been in the wider world outside the prison walls many a call has come to me and I have been invited to participate in a variety of public activities. I have not listened to these calls and have kept away from these activities, for my ears were open to only one call and all my energy was directed to one end. That call was the call of India, our unhappy and long-oppressed motherland, and especially of our suffering masses, and that end was the complete freedom of the Indian people.

I have refused therefore to be drawn away from the main issue to other and minor activities, important as some of these were in their own limited spheres. But when Shri Sangam Lal came to me and pressed me to address the convocation of the Mahila Vidyapitha, I found it difficult to resist his appeal. For, behind that appeal, I saw the girls and young women of India on the threshold of life trying to free themselves from an age long bondage and peeping into the future with diffidence and yet, as youth will, with the eyes of hope.

I agreed, therefore, provisionally and diffidently for I was not sure if a more urgent call would not call me elsewhere. And now I find that urgent call has come from the sorely afflicted province of Bengal and I must go there and I may not be back in time for the convocation of the Mahila Vidyapitha. I regret this and all I can do is, to leave this message behind.

If our nation is to rise, how can it do so if half the nation, if our womenkind, lag behind and remain ignorant and uneducated? How can our children grow up into self-reliant and efficient citizens of India if their mothers are not themselves self-reliant and efficient? Our history tells us of many wise women and many that were true and brave even unto death. We treasure their examples and are inspired by them and yet we know that the lot of women in India and elsewhere has been an unhappy one. Our civilisation, our customs, our laws have all been made by man and he has taken good care to keep himself in a superior position and to treat woman as a chattel and a plaything to be exploited for his own advantage and amusement. Under this continuous pressure woman has been unable to grow and to develop her capacities to her fullest and then man has blamed her for her backwardness.

Gradually, in some of the countries of the West, woman has succeeded in getting a measure of freedom but in India we are still backward, although the urge to progress had come here too. We have to fight many social evils, we have to break many an inherited custom that enchains us and drags us down. And above all the women as well as the men of India have to fight and overcome an imperialism that prevents all growth. Men and women, like plants and flowers, can only grow in the sunlight and fresh air of freedom; they wilt and stunt themselves in the dark shadow and suffocating atmosphere of alien domination.

For all of us, therefore, the first problem that presents itself is how to free India and remove the many burdens of the Indian masses. But the women of India have an additional task and that is to free themselves from the tyranny of man-made customs and law. They will have to carry on this second struggle by themselves for man is not likely to help them.

Many of the girls and young women present at the convocation will have finished their courses, taken their degrees, and prepared themselves for activities in a larger sphere. What ideals will they carry with them to this wider world, what inner urge will fashion them and govern their actions? Many of them, I am afraid, will relapse into the humdrum day to day activities of the household and seldom think of ideals or other obligations; many will think only of earning a livelihood. Both these are no doubt necessary but if this is all that the Mahila Vidyapitha has taught its students, it has failed of its purpose. For a university that wishes to justify itself must train and send out into the world knight-errants in the cause of truth and freedom and justice, who will battle fearlessly against oppression and evil. I hope there are some such amongst you, some who prefer to climb the mountains, facing risk and danger, to remaining in the misty and unhealthy valleys below.

But our universities do not encourage the climbing of mountains; they prefer the safety of the lowlands and valleys. They do not encourage initiative and freedom; like true children of our foreign rulers, they prefer the rule of authority and a discipline imposed from above. Is it any wonder that their products are disappointing and ineffective and stunted, and misfit in this changing world of ours?

There have been many critics of our universities and most of their criticisms are justified. Indeed hardly any one has a good word for the Indian universities. But even the critics have looked upon the university as an upper class organ of education. It does not touch the masses. Education to be real and national must have roots in the soil and reach down to the masses. Some of you who go out of the Vidyapitha and help in the education of others must bear this in mind and work for a change.

It is sometimes said, and I believe the Vidyapitha itself lays stress on this that women's education should be something apart from that of man's. It should train her for household duties and for the widely practised profession of marriage. I am afraid I am unable to agree to this limited and one-sided view of women's education. I am convinced that women should be given the best of education in every department of human activity and be trained to play an effective part in all professions and spheres. In particular, the habit of looking upon marriage as profession almost and as the sole economic refuge for woman will have to go before woman can have any freedom. Freedom depends on economic conditions even more than political and if woman is not economically free and self-earning she will have to depend on her husband or some one else, and dependents are never free. The association of man and woman should be of perfect freedom and perfect comradeship with no dependence of one on the other.

What will you do, graduates and others of the Vidyapitha, when you go out? Will you just drift and accept things as they are, however bad they may be? Will

you be content with pious and ineffective expressions of sympathy for what is good and desirable and do nothing more? Or will you not justify your education and prove your mettle by hurling defiance at the evils that encompass you? The *purdah*, that evil relic of a barbarous age, which imprisons the body and mind of so many of our sisters—will you not tear it to bits and burn the fragments? Untouchability and caste, which degrade humanity and help in the exploitation of one class by another—will you not fight them and end them and thus help in bringing a measure of equality in this country? Our marriage laws and many of our out-of-date customs which hold us back and specially crush our womenfolk—will you not combat them and bring them in line with modern conditions? Will you not also fight with energy and determination for the physical improvement of our women by games in the open air and athletics and sane living so that India may be full of strong and healthy and beautiful women and happy children? And, above all, will you not play a gallant part in the struggle for national and social freedom that is convulsing our country to-day?

I have put these many questions to you, but the answers to them have already come from thousands of brave girls and women who have played a leading part in our freedom struggle during the last four years. Who has not been thrilled at the sight of our sisters, unused as they were to public activity, leaving the shelter of their homes and standing shoulder to shoulder with their brothers in the fight for India's freedom? They shamed many a person who called himself a man, and they proclaimed to the world that the women of India had risen from their long slumber and would not be denied their rights.

The women of India have answered, and so I greet you, girls and young women of the Mahila Vidya Pitha, and I charge you to keep that torch of freedom burning brightly till it spread its lustre all over this ancient and dearly-loved land of ours.

The Calcutta University Convocation

ture of the annual
Chancellor. In his absence the Vice-Chancellor Sir H. S. Duttarayya presided. In accordance with custom a procession formed of the Registrar, the Vice-Chancellor, former Vice-Chancellors, Members of the Syndicate and fellows of the University entered the Senate Hall in academic costume and took their respective seats.

Degrees were then conferred on the candidates passing the various examinations of the University in Art, Science, Law, Medicine, Engineering etc. After the conferring of degrees were over medals were awarded to the deserving candidates for the year.

This done the Vice-Chancellor read out his address the concluding portion of which ran as follows:—

Let us now turn to our Indian University problems. Though our educational system is composed of Faculties which are constituted to give strictly professional education such as Law, Medicine, Engineering, etc, the largest number of our students are absorbed by the non-professional Faculties. The vast majority of our B. A., M. A., B. Sc. and M. Sc. students come neither from an opulent class nor do they stand a fair chance of reaching high executive posts under Government or in business and finance. From the latest available figures in the University offices it appears that during the year 1933 there were under the University of Calcutta 1,243 affiliated Schools which sent out about 20,768 candidates for the Matriculation Examination, out of whom 13,593 passed. Amongst these, 8,299 took their admission into the 60 Colleges affiliated to the University. Out of the 1,923 successful I. Sc. candidates, only 235 took their admission in the two Medical Colleges and 64 in the one Engineering College. Of the 2,039 successful B. A. and B. Sc. students, only 822 have joined the three Law Colleges affiliated to the University. These are the

figures for a University where the total number of students in the affiliated Colleges is 30,805, of whom 18,500 reside in Calcutta alone.

So far as students of pure Arts and Science subjects, whether of the Intermediate or the Degree stages are concerned, I find that a majority of them continue their studies, not because they feel a call, but because neither they nor their guardians have thought of anything better to do. They follow the lure of the beaten track and drift from schools to the Intermediate and thence to the Degree classes from sheer inertia. Such a state of things cannot conduce to the highest development of the special gifts of a large number of students and this can only be set right by opening up fresh avenues for their activities and giving them a lead and a vocational guidance quite early in life.

We are all aware of the restricted changes which exist for our graduates. The number of unemployed graduates is yearly increasing and this is not solely due to the present crisis. No economic prosperity is likely to absorb all our graduates. I do not know if, in the manner of Continental Universities, we will have to limit the number of admissions of students, but certainly something should be done for picking out the most suitable students for higher and cultural education. While on the one hand those of our students who are not fit for cultural education should resolutely set themselves to the task, occasionally unpleasant, of learning what has been characterised as the mechanical vocations of life, we on our side, must be prepared to meet them half way by providing adequate and efficient facilities for vocational training. This I regard as the most immediate problem of the University.

SERVICE BOARD

I do not wish to suggest revolutionary changes which would upset the balance of our educational life, but I cannot help emphasizing the need for drastic measures to save our educational activities in this province from utter ineffectuality. Whether the cost of higher education should be raised or the numbers restricted is a matter for the authorities to decide, but I make bold to dare criticism by saying that the present diffusion of higher education, with the results that it has been giving, should be regulated and, if necessary, limited. I do not for a moment mean that the masses of our province should be deprived of education but I want to make clear the distinction that lies between the problem of literacy and that of higher education and culture. Demagogic demands for higher education for the masses in the present stage of our social development must be counteracted by a sane and well-considered educational policy answering the immediate needs of the moment. No less a person than Rabindranath Tagore, who cannot be suspected of class prejudices, in his inaugural University lecture at which I had the honour to preside, advocated what, in his poetic language, he called the narrowing of the meshes in our educational net if we really wish to capture a rich booty. In my Convocation address of last year I had suggested, and I take the liberty of doing so again, that Government should not attach undue importance to examination results as essential qualifications for entering service, but institute a board where physical fitness, strength of character, personality and mental agility might be regarded as tests of proficiency. This change in attitude, it would be necessary to well advertise in order to deter parents from forcing their children to follow an ineffectual academic path. In schools, too, I would strongly urge that prizes and medals should not be given only to those who obtain high marks in studies and for meek conduct, but marks should also be awarded for scouting, sports, debating contests, and games which teach the value of team-work.

ADDRESS TO LADY GRADUATES

This year I would like to break the tradition by addressing not the graduates generally, but the women graduates of our University.

In 1883 the Hon'ble Mr. H. J. Reynolds, one of my predecessors, congratulated the University because it counted two of your sex amongst its graduates in Arts. In 1933 I had the pleasure of admitting 140 of you to Degrees in Arts, Science, Teaching and Medicine. The number of women candidates at the Matriculation Examination rose from 116 in 1920, to 847 in 1933. No less than 803 of you are receiving education at the different Colleges of Calcutta to-day. You are now participating in all branches of activities and it is my earnest desire that more of you will help me and future Vice-Chancellors with your advice as members of the Senate and the Faculties.

Times are changing rapidly. The impact of western culture is upsetting the old customs and the social institutions of our pupil, the rigours of the 'purdah' and caste restrictions are disappearing and the marriageable age of girls has been raised. I find around me unmistakable signs of strengthening of public opinion in favour of widow-remarriage. Your growing social emancipation has put new problems before us, but one thing to my mind is certain, that the majority of your sex will find the sphere of activity limited by their homes and it is only a few among you who will be seeking employment in the public or technical services. Therefore it is imperative that your education should be of such a nature as to enable you to fulfil your obligations in the home to which such high value is attached by Indian tradition. It should be our bounden duty, now that the movement is young, to find useful outlets for your intellectual curiosity. In the light of experience gained in this country and elsewhere, we have seriously to consider the special kind of education which would be best suited for you in conformity with your habits and traditions the requirements of your health and happiness. We could supply you with a new curricula, but we have not the means of according to you separate educational institutions as yet. Hence it is that we are faced with the "Problem of Co-education" which has so many passionate advocates and antagonists. Co-education argues a free association of our young men and women in schools and colleges, which has not yet been permitted in their social relations outside the class room. It is still a plant of foreign growth which has not sufficiently acclimatised itself to its new environments, but the time is fast approaching when society is bound to sanction a certain amount of freedom of association which will undoubtedly develop new social relations between the sexes. In our University, co-education in the Post-Graduate Department is already an established fact, though it is not a universally accepted principle in the stage of graduation except in the Medical Colleges. At the High School stage we have in certain cases adopted the device of holding girls' classes in boys' schools in the mornings, a makeshift arrangement which is probably the best during the transition period and under the present financial condition of the country. Our young men from whom I expect much and whose tact and justice in their domestic relations I so admire, will I am sure prove equal to the graceful but difficult art of chivalry and gallantry in the western sense of the term. Though co-education has been adopted by some of the Colleges, it appears to me that for the present the real solution would be to start, as soon as possible, a large number of Schools and Colleges for you and to raise some of the high schools for girls to the status of Colleges.

Amidst the conflicting currents the drift of which it is difficult to foresee, there is one perceptible strain in the stream, one undeviated purpose slowly but surely evolving from the present, and that is the unshackling of the womanhood of India from the chains of the past. Here the aspirations of all communities ought to be one ; here the claims of climate, religion and social authority should be foregone in the unity of an undivided aim. It is to this future that I invite you to look, to this hope to turn for consolation, to this goal to concentrate your efforts. In the future you will play an increasing important part in the social life, in progress and the transformation of our ideals. You will indeed be the executives of our ideas of health, hygiene, social advancement and political development. Such steps as we take now will bear fruit in times to come and therefore it is the duty of our leaders, men and specially women, amongst whom I hope to see you soon, to take a forward step with a full sense of responsibility and with the knowledge that whatever we do to-day will guide the welfare and happiness of generations to come.

The Indian Universities' Conference

Over fifty delegates from practically every University in India were present when H.E. the Viceroy opened the Third Quinquennial Conference of the Indian Universities at New Delhi on the 6th. March 1934. The Viceroy arrived at the Old Assembly Chamber where the Conference was held accompanied by Lady Willingdon. They were received by Prof. G. H. Langley, Chairman of the Conference and introduced to every member of the Conference.

His Excellency then declared open the Conference which function was watched by a large number of Members of the Central Legislature and local educationists. His Excellency said :

Ladies and gentlemen,—It is a great pleasure to me to welcome to the capital city of India the members of the Third Universities Conference. It is an event of no inconsiderable importance that delegates from practically every University in India are assembled here to-day. Amongst you I see many educationists and rejoice that some have found it possible to travel long distance to Delhi. This is a testimony to the importance of the task before you. I have every confidence that your deliberations will make a notable contribution towards the right development of universities in this land.

Gentlemen, as a layman, I feel a natural diffidence in addressing experts who have made education their life study, but the relation of education to every activity of the modern state and a society is all pervasive. A mere administrator, therefore, may also permit himself a few observations to an assembly of educationists.

Events have been moving with great rapidity in the university world. When I first landed in 1913 there were but five universities in the whole of India. Those universities were all of the affiliated type. Their functions were confined very largely to prescribing courses and curricula and to conducting examinations. They were scarcely concerned with the function of teaching nor did they even possess effective means of controlling and co-ordinating the resources and activities of colleges. Thus whatever progress was made in those days was due very largely to colleges. There are many present here to-day who can testify their great debt to the colleges, in which they were educated. I wish to pay my tribute to these institutions for the fine work they have done. They have yet greater part to play in the rejuvenation of India.

VARIOUS TYPES

Since 1913 Universities have increased rapidly in number. There are now 18 Universities in India. What is even more striking is the wide variation in their form and organisation. The details of this wide variation are perplexing, but the main lines of distinction are apparent. There are, first, the affiliating universities which, though imperfect in form, still play an important part in the development of higher education in this vast country. At the other extreme are the Unitary Universities. These Universities have their rightful place in the scheme of university organisation, but they cannot by themselves cater for the entire needs of an advancing country. Between these two extremes are varying types of federal universities which, while supplementing the teaching of the college, exercise a varying measure of control over the teaching and other activities of colleges. The emergence of this type is a logical step in this country and is not a fortuitous coincidence. In the political sense (?) Parliament is now engaged in the difficult though inspiring task of evolving a Federal constitution in which considerable scope for Provinces will be blended with the preservation of unity at the centre. A similar process is being attempted in the sphere of university organisation. There is a growing realisation that the valuable and cherished college traditions to which I have already referred should not be lightly thrown aside. In many cases they should be developed.

The need for rigid economy which, though intensified by the recent depression has been increasingly manifest for some time, has given to the federal principle an additional value. In the field of education, India needs more education. She cannot secure it without additional expenditure owing to competing demands of equal importance to her progress. She must use her available resources to the maximum of attainable advantage in every branch of education. This will be possible only if reform, where reform is needed and expansion where this has become imperative, conserve everything in the existing system that has been tried and has proved its value.

Only a University of a federal type can guide and co-ordinate the development of the existing colleges so that they shall make their most effective contribution towards the common weal. If only the colleges can be made to realise that this new type of university is intended to supplement, not to supplant, their activities, to fulfil, and not to destroy, the purpose for which colleges exist, they would, I feel confident, be prepared to submit in the larger national interest to the greater measure of control with which a Federal University must be invested over its constituents so as to ensure the efficacy both of itself and its colleges.

LIFELESS UNIFORMITY

To my mind similar premises lead to a similar conclusion *mutatis mutandis*, as regards the co-relation of programmes of expansion of the different universities. The autonomy of a great seat of learning should be respected and preserved but unrestricted autonomy and competition may create untoward results. There is a tendency for each university to attempt a wider field of activities than its financial circumstances permit. There are also signs of extravagant duplication and overlapping between universities, which will result not only in diffusion of effort but also in reduction of efficiency. It is in consequence of this wide diffusion of effort that Indian Universities are still subject to the charge of lifeless uniformity from which in other respects they have largely escaped. If teaching and other resources are too widely diffused there is less livelihood of universities being in a position to make distinctive contributions in a few departments of study for which they possess special facilities. They will tend rather to become lifeless replicas of each other. A super-university, guiding and controlling the 18 universities that now flourish in India, may not be a desirable or a practical ideal but conferences like yours can have no more fitting object than to review the existing position and the future development of universities, not so much from the particular needs of each individual university but rather from those of India as a whole.

A DISTRESSING PHENOMENON

There is another matter which will engage your earliest attention. I refer to the ever-increasing unemployment among graduates and matriculates. I have already expressed in a recent speech in Calcutta the grave concern with which I and my Government view the distressing phenomenon. I need no excuse for referring to it again, especially in the presence of those with whom it is a matter of daily anxiety. From the point of view of the students concerned, it is heart-rending that many young men, who have fought their way successfully up the educational ladder and have gained high degrees and distinction, often in spite of many obstacles and handicaps are yet unable to find means either of maintaining themselves or of serving their fellowmen. From the point of view of the country, it is disastrous that the labours and initiative of these young men should be running to waste. Keen and unmerited disappointment, accentuated by irk-some inactivity, are apt to lead high-spirited young men into dangerous and unexpected channels.

I am well aware that universities by themselves cannot create developments in industry and commerce. In these respects they are enmeshed by forces over which they have little or no control but it is undoubtedly within the province of educational authorities so to adjust the general scheme of education that the bent of the students and pupils shall be turned towards occupations best suited to their conditions and capacities.

The increase in the number of University students during recent years has been phenomenal. In 1917 the number was 61,000. In 1927 it had risen to 91,000. In 1932 it approximated 105,000. In the Punjab the increase has been particularly rapid, the number having advanced from 6,500 in 1927 to approximately 17,000 at the present day. It is almost inconceivable that these largely increasing numbers could have been absorbed into suitable occupations even had the times and conditions been normal.

What is the solution of this distressing problem? From many quarters comes the cry for more technical and vocational education. The subject of technological education is one of the items for discussion and your advice on this matter will receive careful consideration. On the general question I would suggest that there is danger in excessive specialisation, especially if the main purpose is to relieve unemployment. A student who has benefited by a good general education should be able to adapt himself to many forms of occupation but a student who has specialised in a single aspect of a single industrial subject might fare badly in his quest for employment.

SUGGESTED SOLUTIONS

In respect of vocational education there appear to be two schools of thought. Some favour the inclusion of several forms of vocational training as optional subjects for matriculation and subsequent university examinations which would be taken concurrently with ordinary literary subjects. Others advocate a more drastic treatment and suggested that the whole scheme of secondary education should be

recast as a result of which many students who now throng the universities would be diverted at an earlier stage either to occupation or to separate and self-contained vocational institutions.

The consideration of the latter policy rightly finds a place in your agenda. I shall not anticipate your discussions but I venture to suggest that many boys and girls would benefit if the content and method of their school education were not based so rigidly on the assumption that they all desire and are competent to receive admission to an university. These and other important matters will now come under discussion. Your task will be one of great moment to the destinies of India but you will be guided by an educationist of much distinction and experience. Your chairman, Mr. Langley, has been for many years Vice-Chancellor of the University of Dacca, in the forming of which the Government of India played some part. I wish you all godspeed in your labours.

Chairman's Speech

Prof. Langley, thanking the Viceroy for opening the Conference, appreciated deeply His Excellency's willing acceptance of their invitation, "for" he said, "we are fully conscious that the continuance of revolutionary influences among the educated young Indians is making it difficult for some upon whom the burden of responsibility for orderly good government rests to retain their sympathy for the activities of institutions which, at times, have been regarded as responsible for the promotion rather than discouragement of the present disastrous tendencies. Your presence here today is evidence that nothing in the present abnormal situation has in any way dimmed Your Excellency's vision of vital importance of the functions which universities alone can perform."

Professor Langley dealt with the usefulness of universities. Firstly, there being many trained and well-informed workers in staffs of universities, these would be used to make enquiries in every direction into problems concerning public welfare. Secondly, universities could further increase their usefulness by the institution of a special department for vocational training. He was glad that the agenda of the Conference showed that universities were aware of the responsibility in this regard for the question of the lines on which technological development should take place in Indian Universities was among the subjects that were given most prominence.

The speaker urged the Government should consider from time to time Universities' views on important questions as was done by the Bengal Government before constituting Board of Economic Enquiry. He emphasised that it was the business of Universities to train men and women with character, strength, honesty of purpose, a sense of corporate responsibility and capacity for co-operating with others of different opinion and experience. He referred to the rapid increase in the number of arts, science and law students and stressed that what was urgently wanted was some reliable means of selecting, from among those who sought University qualifications, men and women whose services in the various spheres of work would be of real value. The country needed trained minds. Minds merely stored with a certain amount of information on some branch of knowledge were not of much value for the country's services. She required minds that had developed and disciplined in such a manner that they had acquired the power available for application to the many problems for which human beings living in society must find solutions.

Resolutions

ENGLISH AS MEDIUM OF INSTRUCTION

Important changes in the system of education, including those making Vernacular as the medium of instruction in primary and middle stages were suggested by the Conference of Universities in India, which concluded its session on the 8th. March. The subject was introduced by Dr. Sir S. Radhakrishnan, who moving a lengthy resolution, outlined a scheme for improving the educational standard in higher stages.

Dr. Paranjpye, Sir George Anderson and Pandit Madan Mohan Malaviya supporting, put forth their schemes of dividing the educational system on a scientific basis. These schemes were embodied in the following resolution which was unanimously accepted.

"While this Conference favours the extension of the course of study for degree examinations to over three years, instead of as at present, at the same time it

is strongly of opinion that it would not be desirable to add one more year to the ordinary pass degree course, or to reduce the period of study for degree examination from four years after the high school stage to three, unless and until the standard of instruction in secondary school is materially improved and that in order that the period of study for the Pass degree should be at least three years, the total period of instruction of the pupil should not be increased but should be divided into definite stages of primary and middle in which stages education in non-language subjects should be entirely through Vernacular, and higher secondary in which education in non-language subjects shall be through Vernacular wherever practicable, and University education, covering five (or four), four (or five) and at least three years respectively, there being a formal examination at the end of each stage, only thus avoiding abuse of too many formal examinations; that until this reorganisation is effected the total period of study of the Pass degree should not be reduced to three years, after Matriculation from the present four years".

Considerable discussion took place on Mr. Satyamurti's resolution recommending that Universities should consider the desirability of making Indian languages the media of instruction at as early a date as practicable.

Mr. Satyamurti said that the resolution merely suggested the desirability to consider the question. Therefore the resolution was harmless. He cited the case of the Osmania University where the Vernacular was successfully applied as a medium of instruction.

Pandit Malaviya supported the resolution in an impassioned speech, mentioning that the experiment had succeeded in the Benares University.

Sir Akbar Hydari said that the difficulty was that the existence of too many Indian languages was not insuperable. In most cases, it was a question only of different scripts. As time went on this objection would be overcome. No nation could make its proper contribution to humanity by having as its medium of instruction a foreign language.

Sir K. R. Menon opposed the resolution on the ground of the multiplicity of languages, in almost every place, there being four languages in Madras. He asked why a man should be forced to learn another Indian language and be deprived of the chance of learning a language which was useful not only in the whole of India but in the whole world.

Dr. Hyder, speaking on behalf of the Public Services Commission, said that the Commission's examinations being in English, he would oppose the resolution.

Pandit Malaviya advised the House not to consider the minor advantages such as Public Services Commission examinations, as against the advantage to the nation as a whole.

After further discussion the resolution was rejected by 7 votes to 4

UNEMPLOYMENT

The conference also discussed at length the question of reducing unemployment among educated Indians. Several suggestions were discussed including those of opening capital works by the Government and absorbing the educated young men therein, giving preference to graduates in Government services and impressing upon the Government to give more and more jobs to Indians in the Army, Navy and Government services. Eventually the Conference passed a resolution drafted in the Sub-Committee as follows:

"While the establishment of the University Employment Bureau may be of some use in obtaining more suitable candidates for employment and be left to the discretion of the individual universities, it would not touch the main problem of unemployment in view of the past experience about the result of attempted investigation into the problem of unemployment. This conference is of opinion that it is not practicable for Universities to undertake scientific investigation of unemployment among educated Indians. A practical solution of the problem of unemployment can only be found in radical readjustment of the present system of education in schools, in such a way that a large number of pupils will be diverted at the completion of their secondary education, either to occupation or to separate vocational institution, being based on a carefully planned scheme for economic development in the country. This will enable the Universities to improve their standard of admission. The Government should be requested to establish or help in the establishment of institutions for imparting vocational training."

The Inter-Universities Conference also passed the following resolutions—

That the Government of India be requested to pass legislation so as to prevent Diplomas and Degrees being awarded by institutions, which have no properly recognised courses of study and adequate system of teaching or examination.

That the conference is of opinion that it is desirable to make better provision for the study of the French and German for students, who appear for the Honours and Post-Graduate examinations.

That the Government of India be recommended to establish a Central Institute of Research in Medicine such institute to be located at a University centre.

MEDICAL RESEARCH

That in view of the great need for encouraging research in Tropical Medicine and Hygiene, the conference recommends to the Government of India and to the Provincial and States Governments the desirability of instituting studentships, fellowships, and grants-in-aid in medicine for the purpose of carrying on research at University centres and in close co-operation with the staff of medical colleges.

That the Inter-University Board should consider the question of securing uniformity in standards of pre-medical studies for medical degrees of the different Indian universities that, if desirable, encourage "conducted tour of students in India and abroad, with a view to widening the outlook of and drawing closer together the alumni of different Indian universities.

That there is need for promoting development of cosmopolitan hostels, open to all students, in different universities.

That universities should organise lectures of extra-mural character for wide extension of adult education.

That the Government of India be requested to take steps to obtain free supply of all foreign Government publication by mutual reciprocal arrangements with those Governments, so that they may be available for reference at some central place in India.

That it is desirable that teachers in one university be invited to deliver special short courses of lectures in other universities.

The conference recommends to the Government that, if universities so desire, a University Training Corps be formed in those universities, wherein they do not exist at present and that additional provision be made for extending the University Training Corps, where they already exist and where there is demand for it.

All India Moslem Educational Conference

The 45th session of the All-India Moslem Educational Conference, which met at Meerut with *Sir Abdul Qadir* of Lahore in the chair, concluded on the 2nd. April 1934 after adopting a large number of resolutions suggesting various improvements for the advancement of education among Indian Moslems.

Among other resolutions it was urged that the Aligarh University should open classes for agriculture, that the Government should be approached to make arrangements for separate schools and colleges for Moslem girls and where no such arrangement could be made Moslem teachers should be appointed in girls' schools and colleges. The establishment of banks by Moslem business magnates was also urged as it would relieve Moslems from the clutches of money-lenders belonging to other sister communities.

Through another resolution it was suggested that such changes be made in the curricula by the Government that young men after graduating might take to independent occupation rather than seek service.

A little heated discussion followed when the question of establishing a degree college for Moslem girls at Aligarh was taken up. Mr. Ansar Harvani speaking submitted that *purdah* was bound to go from among the Moslems and co-education should be introduced in Moslem educational institutions so that Moslem girls might go for training in medicine and law. It was further urged that during the last ten years of the period of reforms there had been an increase of seven per cent. only in

the literacy of India and, therefore, in order that Indians might be classed as a civilised nation there should be arrangements for compulsory education of the people in the country.

Thereafter *Nawab Sadar Yar Jang* moved that the authorities of Allahabad, Lucknow and Agra Universities be approached to appoint a Moslem vice-chancellor.

Khawaja Sarvar Hasan of Delhi opposing it said that a institution like the educational conference had no justification to propose such a resolution of communal and political nature. He was seconded by Mr. *Ansar Harvani* who submitted that there was not a single Moslem in the United Provinces capable enough to be vice-chancellor of any of the U. P. universities. On this there was an uproar and the speaker was asked to sit down. The original resolution was adopted.

After adopting the resolution on the Waqf Bill which had been introduced by Khan Bahadur Hafiz Hidayat Hussain of Cawnpore in the United Provinces Legislative Council the conference terminated with a concluding speech by the president.

The Bengal Women's Educational Conference

Over four hundred women educationists assembled in Calcutta on the 23rd. February 1934 at the Annual Bengal Women's Educational Conference. *Miss L. Ghosh B. A.* presided. The Conference adopted the following resolutions :—

In view of the recognised fact that women are, generally speaking, more effective teachers of small children than men are, and moreover that the rapidly increasing number of girls educated in High Schools will be seeking in outlet for their activities and will probably be available for training and appointment in suitable schools in the near future, this Conference stresses the importance of appointing women teachers in all town schools for girls, and in mofussil schools also just as soon as conditions make such appointments possible.

The Conference urges that in all plans for future developments stress be laid on securing as village teachers women well qualified and trained who will regard the school as a community centre of education related to village needs, and that the Bengal Women's Education League shall, during the year, seek the advice of teachers with experience in village schools, with a view to working out a more simplified and therefore more effective syllabus for such schools.

The problems of teachers in the present day secondary school were then discussed by *Miss Suniti Gupta*, who said teachers could meet their difficulties if they realised the aim of secondary education, namely to develop "a child's volitional, emotional and intellectual capabilities for practical purposes of life."

Miss Bello Hudson dealt with the same problem, while *Miss Mac Arthur* thought the chief difficulty in all schools was the demand by parents for rapid promotion. She thought this demand could be easily met by raising the standard by means of individual work and educating the parents. This experiment in individual work has proved very successful in her school both in Arithmetic and in English.

Lady Bose spoke on the attitude of the public to education, which she thought apathetic. The parents would take more interest in their children's education if schools organised Health Exhibitions and parents' meetings.

The following resolutions on Secondary Education were passed :—

The Conference expresses its pleasure that the Educational Conference held under the auspices of the Ministry of Education recommended the establishment, at an early date of a Statutory Board of Secondary Education, and urges that from the outset such plans may be made as will ensure matters relating to the education of girls having adequate consideration by the Board.

This Conference views with intense regret the decision to close Diocesan College in Calcutta—a college which has had a worthy tradition in women's college education and has extended its influence far beyond the Province of Bengal.

The All Bengal College Teachers' Conference

In the course of his presidential address at the ninth session of the All Bengal College and University Teachers' Conference, held at Faridpur, on the 31st. March 1934, Dr. W. S. Urquhart said :—

In many ways College and University teachers are to-day in a difficult situation. They are attacked on all sides. They are accused of providing opportunities, however unwittingly, through the very existence of their institutions, for socially subversive activities. In respect of co-education they are accused of being false to the tradition of their country in encouraging it, or of being incorrigible conservatives in suppressing it. By many, by both friendly and unfriendly critics, they are accused of purveying useless learning, which neither provides daily food nor builds up character, and is therefore useless both for this life and for that which is to come.

Some time ago the Students' Unions of the Scottish Universities, being in a frivolous mood, passed the resolution that "it would be for the benefit of Scotland if all the Universities were transported to the South Sea Islands", and in more serious vein it is sometimes argued that it would be better for the country if all our universities and colleges were drowned in the Bay of Bengal.

As regards the first point it has on more than one occasion seemed to me necessary to refer to the harm which is done by hasty generalisation, and I do not propose to touch upon that matter now beyond saying that there are hopeful signs that the usefulness of these generalisations is being recognised, and that in any case facts and proportions are open for investigation to those who will give them calm consideration.

Incidentally however I might mention that I had occasion recently to reflect upon certain percentages in connection with one large college, and I found that the proportion of students of that college who had come under suspicion, including those who had been merely interrogated, did not amount to more than half-a-dozen per thousand during the last few years.

Still, however small the percentage may be, it ought to disappear entirely, and I think we are all of one mind in intensely desiring total eradication.

It does not help us, however, to hear general condemnatory and detrimental statements in regard to our colleges, that there are "snakes in the grass" and so on. We do not close public gardens, otherwise desirable, because it is possible that there may be one or two snakes lurking within. We desire rather to get rid of the snakes so that not one may be left, and it is the duty of all who know the facts of any particular situation to co-operate for the ending of activities which do so much harm to the country as a whole. We desire the absolute cleansing and purification of our academic communities, but not the depreciation of them by generalisations.

In this connection I have been struck recently by a confusion which has arisen through a wrong use of words. It has grown customary in this country, even in the writings of the most reputable journals, to speak of school boys as "students", although, according to the stricter and more authoritative usage of language, the term should be confined to those who are studying in Colleges or Universities. The consequences of this confusion are many and various. For one thing students are unjustly made responsible for the actions of those who belong to a more juvenile stage. You come across a flaring headline in the newspapers about unruly students, but when you read the paragraph you find that it is entirely concerned with insubordination or worse of school boys.

There are some people who never read more than the heading, and they get wrong impressions. But there are more general consequences of this confusion affecting the mentality of both teachers and taught, and the organisation of our system of education. I would plead very earnestly for a sharper distinction between the school stage and the University stage.

In this connection I would urge, as I have often urged before, that we need a very considerable stiffening of the Matriculation Examination.

There is another matter to which your attention might very profitably be directed and that is the reaction of the colleges to the new situation which will soon be created by the more general adoption of the vernacular as medium of instruction in schools. The effect of this, whether for good or for evil, upon the knowledge of English, which will still for a good many years be the medium of instruction in colleges, ought to be very carefully and very seriously considered.

Might I refer also to the effect of the confusion between school and college students upon the mentality of both teachers and taught in colleges? There are some college teachers who never seem to get rid of what I might describe as the "schoolmaster complex" and who fail to realise that the relation between professors and students ought to be very different from the relation between teachers and school boys. Most disastrous consequences have sometimes arisen through forgetfulness of this difference. Students also, especially in the lower class of a college, are often forgetful of the fact that they have passed beyond the stage of school boys, and they conduct themselves in the same irresponsible manner that has been encouraged by the want of discipline in some of the schools from which they have come.

I would have every college teacher to lose no opportunity of reminding the students of the dignity and self-respect which is befitting to the college students. He ought to be encouraged to feel that he has become a man and should behave as a man and not as a school boy. Greater quietness is very desirable within our colleges. One does not expect to have old heads upon young shoulders, but we might at least have more evidence of seniority in respect of the use of the vocal organs, and the diminution of unnecessary shouting and loud speaking in the halls and corridors of our colleges which would be consequent upon a greater sense of dignity on the part of the students, would contribute to the efficiency of our academic work, and to a decorum in a later life, the absence of which in public assemblies prevents useful conference and brings them into disrepute.

To turn to another of the topics I mentioned above—the problem of co-education. This has already been engaging your attention. My attitude to the matter is well-known, and I need not say much about it at the present time. I may simply say that several years' experience of co-education—and by this I do not mean the holding of separate classes at separate times—has convinced me to the value of it under proper supervision and I am sure that it is a necessary form of the solution of the problem of women's education in the present circumstances.

It is not a problem which is confined to this country. I recently came across a review of the past fifty years of development in Edinburgh University, and I may quote a few sentences relevant to the situation there in 1889 nearly fifty years ago. At the outset many strenuous advocates of women's education doubted as to whether curricula designed for men and developed to meet masculine needs were necessarily suited to both sexes. School training had never been identical, so that young men and young women would not have the same preparation for University life. Many of these cautious observers would have preferred the creation of separate Women's Universities or Colleges. But for such a development time and money would have been needed. The men had the endowments, the buildings, the staff and the equipment. It was obviously simpler to demand a share in what existed than to plan some utopian and distant scheme. The University Commissioners under the Act of 1889 took this view and the demand was granted. The Faculty of Arts was most immediately and fundamentally affected, but it was not the only one to feel the change. The principle of equality has triumphed all along the line. The situation in Edinburgh fifty years ago is strikingly similar to the situation here to-day, and the effects of co-education which obtains in all the Scottish Universities, have not been disastrous during the last fifty years. Some of the healthy camaraderie of the house, should and does, show up under sympathetic and farsighted authorities.

Another topic which has been very much to the forefront recently is the relative importance of vocational and general education. Almost every address of an educational character has dealt with this and it occupied much of the attention of those who took part in the last Universities' Conference. Strictly speaking, it is a subject for discussion by those who have to do with the remodelling of High School education, as I consider that the crux of the problem is how to differentiate between those who are suitable or inclined for a University education and those who are not so adapted. But it does concern us very closely in that it would be exceedingly unfortunate if we conceived University education so narrowly as to

put it out of relation to the needs of vocational instruction, or if we thought that the Colleges and Universities had nothing to say upon the economic needs of the country.

I think, however, our special duty lies in the direction of showing willingness to be deprived in the colleges of a considerable number of students whom we admit at present both because of financial considerations and because we, in our pride, still think, a positive duty as well, and that is to show that education is wrongly conceived if it is thought to be merely a panacea for economic evils, and to show also that there is real place for education of a more cultural kind. We are entrusted with the training of the minds of the community, and these minds have to be properly trained both with reference to the engaging in particular pursuits and in reference to the conduct of life as a whole.

I think a great deal is lost if a boy begins a technical training too soon, or if he receives only a technical training. This would be unfortunate even if he were sure of a post in his particular line when he has completed his curriculum of practical studies. It is doubly unfortunate if he has to search about for an occupation, and perhaps find it in an altogether different direction from that from which he has prepared. Having only a particular training, he is not so well prepared for emergent needs as the student with a more general equipment. And what of his staying power, his power of persistence even if he gets an appointment for which he is specially equipped? Even the best posts have their aspects of monotony, and if they fall below one's expectations or below the young man's often excessively high estimate of his own powers, boredom and lassitude are apt to result. The only preventive of this is the cultivation of mind and spirit, the provision of mental resources within one's own control wherever we may be placed, the strengthening of the will so that we may be undaunted by the monotony of the succeeding years, the widening of sympathy so that we may find interest in others and not only in our own concerns, even if these other persons belong to classes other than our own.

It seems to me that if in our concern about the remodelling of our University system we forget this inner factor, we shall be doing a great disservice to the country or at least we shall be failing her in the time of her need. We want modifications of our present system in many ways so that new avenues of employment may be opened up and fuller advantage may be taken of the economic opportunities that at present exist. But more than this we desire the mental and moral and spiritual preparation of those who are being educated. What is the use of opening avenues if you have not trained people to walk in them when they are opened, if they have not acquired that width of outlook which will enable them to understand where they are going, that spirit of sympathy which will prevent them from jostling their neighbours and that steadfastness of character which will carry them steadily onwards even when the sun is hot and the dust is blinding.

It is this inner preparation to which I would summon the College and University teachers of the present day. The Colleges can be centres of enlightenment and emancipation, where are trained the minds of those who in the days to come will take the leading places in society. We have in our hands the moulding of the destinies of the future citizens. And yet I think we do not sufficiently realise this. We become pessimistic and we say that because we have no power over state action or the construction of external conditions therefore we have no function at all. Or we become unduly optimistic as regards the future, and bank upon everything being done by a change of constitution or a transformation of external conditions.

But it is internal disposition rather than external conditions which matter in the long run, and we can influence these with our Colleges and Universities. We can aim above all at purity of academic motive, being fully determined that we shall not allow differences of races or any other extraneous differences to influence our academic action.

Nothing could be more disastrous for a country than the habit of allowing other than academic interests to affect unduly college and university action. If this were to become the persistent procedure then our educational system instead of forming and guiding public opinion would be dragged miserably and ignominiously at the chariot wheels of party leaders and we might as well close our doors for all the service we shall be able to render to the community.

If we are to keep our ideals high there is an even nearer danger which we must avoid within our colleges and universities and that is the tendency which is in human nature everywhere to form parties or groups or cliques. In academic

circles these seem to grow up with startling rapidity, and unless we are on our guard they poison the academic life. Friendship and association are all very well, but it is a miserable travesty of friendship which leads us to consider academic questions from the point of view of the advantage of our particular group, which leads us to ask, when any proposal is made, 'Who made it, and how will it be viewed by the leader of our group?' This is frequently the canker of public life and we cannot prepare our students effectively for their place in society unless we see to it that is not the canker also of our colleges and academic life.

These are difficult times as I have said for college and university teachers but I think it is possible to be conscious, without pride, of the high place we may occupy in the community, and of the opportunities that lie before us. We can continue to occupy that position and to use these opportunities, if we preserve our own self-respect, and refuse to allow our colleges and universities to become subservient interests.

The perfect society is like a work of art constructed out of unpromising and diverse materials, or it is like a poem wrought out of discordant sounds and discrepant phrases. In our moments of vision we may think of ourselves as the poets and artists of society. And, if looking at ourselves and each other, we sometimes become cynical and incredulous. If in the light of common day the vision fades, let us not allow ourselves to laugh ourselves to scorn. For there is some truth in this idea, that we perhaps as much as if not more than any other class, are the moulders of this perfect society of the future of which we dream. We are so more indirectly than directly, through those who are at present under our care and whom we may influence as to the form of their future life, teaching them to have salt within themselves, resources mental, moral and spiritual, teaching them in their public life to choose wisely between becoming "political invertebrates" and "political cankers", teaching them to keep their ideals high but not to be too impatient about the "tempo" of their fulfilment, teaching them to steer by the fixed stars but not to rock the boat too much in the course of the voyage, and to bide their time when clouds hide the stars for a little. We have a duty both to the immediate future, which may be fulfilled in academic reconstruction and to the more distant future which may be fulfilled in mental and spiritual illumination. If this Conference can aid us in the fulfilment of these duties, it will have served its purpose.

Resolutions

A number of resolutions on various educational topics was passed on the second day, the 1st April 1934. The Conference urged deprovincialisation and vernacularisation of the medium of instruction even up to the Intermediate course in some subjects such as History and Civics.

Regarding the proposed educational survey of the province for redistribution of high schools, the Conference protested against any undue interference with the existing high schools which were the result of non-official enterprise in the land.

The Conference was against any Secondary Board of Education unless the Board was to be autonomous and the present obligations of the Government with regard to collegiate and University education were met first of all.

Resolutions supporting co-education in collegiate and Post-graduate course and demanding the establishment of a Central Women's Hostel and a Women Students' Institute in Calcutta for their social, cultural and physical activities were also passed.

Other resolutions affected the rights of college teachers and the well-being of colleges. The Conference protested against the proposed amalgamation of some colleges in the mofussil, reduction of permanent grants to colleges and the paucity of college-teachers' representation on the Senate and the Boards of Studies of the University.

It further demanded the enforcement of the 'College Code' registration of the College Provident Funds under the Provident Fund Act and an extension of the benefits of Postal Life Assurance to college teachers as well.

Dr. Urquhart made a few concluding remarks exhorting the teachers to be true to their mission of life and the session came to an end after a vote of thanks.

The Indian Science Congress

Declaring open the twenty-first annual session of the Indian Science Congress, at Bombay on the 2nd. January 1934, in the presence of a large and distinguished gathering, the Governor, *Lord Brabourne* said :

"A gathering of scientists such as yourselves, is an important event in our annals, for you scientists have done much to create the modern world. You have annihilated distance, both as regards transport and communication. You have relieved bodily suffering. You have increased the productivity of the earth. You have given us electricity, with its manifold applications, dyes of every hue, and rustless steels. The list of your benefactions is endless. You have, in addition, revolutionised our ideas of time and space, and your views on the structure of the Universe and of matter have so progressed that they almost transcend the human power of thought.

"It is less than four years since systematic investigation of natural phenomena replaced speculation without investigation. The enormous content of Modern Science has been amassed in this relatively short period of time by the devoted labours of men and women like yourselves, working in every portion of the globe. We, laymen, often wonder why it is that compared with the results of human endeavour, in other fields, the Scientist has accomplished so much. It is, I feel because Science has always dealt with direct evidence, and not with the discussion about evidence". Proceeding, His Excellency said : Despite all such triumphs, there has grown up, in recent years, among scientists themselves, a doubt whether Science alone could create a new heaven and earth. The gifts of science are manifold, but they could be and have been misused. Science has increased the productivity of the earth, yet people are starving in the midst of plenty and the modern world is at present passing through a period of depression without precedent. It has become increasingly evident that scientific values are not enough, and that unless ethical values are added, the gifts of Science would become edged tools, given as toys to children. Scientists, as a rule, become more obsessed with their work, and they are at least inclined to take their share in the tasks of administration and Government.

Presidential Address

Dr. Meghnad Saha, eminent Indian Scientist, in the course of his presidential address said : "The return of the Indian Science Congress to Bombay for the third time after the lapse of eight years bespeaks of the large-hearted liberality for which the citizens of Bombay have been distinguished. In 1925 the occupant of the Presidential Chair was Mr. Howard, well-known for his valuable contributions to Indian Agriculture. The present speaker cannot claim to have been so useful to the public. It is rather regrettable that even in a place like Bombay which is a city of pragmatic philosophers, the speaker has not been able to change to a subject having a more human appeal. I wish to start from the point where I left on the last occasion while presiding over the Physics section in 1925 at this very city, and deal with the story of the universe of which we form an organic though insignificant part. At the outset I would remind you that like all other higher activities of the human mind, scientific activity is based on faith, the faith in the reality of an external world, independent of the idiosyncrasies of the participant subject (the human mind). It is remarkable fact with almost every civilisation that the sages of ancient times were constrained to construct a story of creation. This points to a fundamental trait of the human mind from which, I submit, that even the modern man has not been able to free himself; that man feels himself to be a part of the universe and is anxious to know his position in the Universe.

In all old creation myths, the creation of the organic world of life and of the physical world were hopelessly mixed together. It is Emmanuel Kant, the great surveyor of human knowledge in the eighteenth century, who first drew a clear-cut line between the Organic and the Inorganic worlds. The next great Evolutionist of the physical side was Sir Norman Lockyer, who sketched his idea in numerous papers. The story of creation as constructed by Kant and Laplace was an attempt at a synthetic view of the world. Up to the time of Kant, man's interest had not yet

outgrown the solar system. But by the work of Bessel and Henderson and Lord Rosse and the discovery of photography and of spectrum analysis necessary means of undertaking the physical and trigonometrical survey of the heavens were provided for. As far as our present knowledge goes, the Universe consists of billions of galaxies distributed in space. But compared to the immensity of space, they are like little patches of eases of matter in a vast desert with huge distances intervening each other. The problems which now confront the astrophysicist are as follows:

(a) How do stars come into existence and what is their life-history ? (b) How do they maintain their stock of energy ? (c) What happens to the radiation which is being poured in space ? (d) What is ultimate fate of the Universe ?

From a study of cosmic radiation, nuclear physics and the electrofission of quantum we get a complete picture of conversion of matter into energy quanta and of energy quanta back into radiation. Probably the picture may be completed when experiments succeeded in causing a fission in the neutron and isolating the free magnetic poles first conceived by Dirac.

Is there any Evolution ? Perhaps my audience would like to get a straight answer to the question. On such a point one is guided by his sense of aesthetics as Sir Arthur Eddington blandly puts it. Any view however is bound to be highly speculative. According to the protagonists of the expanding Universe, the world is closed, and if there be any such other Universe besides ours, we have not discovered any method for knowing it. The main idea of this view have gained such wide currency, owing to the good services of the modern world news agency, that it is unnecessary to dwell at length on the subject. The best that can be said of this theory is that it is highly speculative, and cannot be accepted unless we succeed in finding out some other solid peg besides the recession of extra-galactic nebulae on which the conclusion can be shown to rest. The Cosmic process is cyclic. Matter acting on quanta and causing electrofission acts like a Maxwell demon which reverses the inexorable march of Entropy, a doom which has been dreaded by all evolutionists. I submit that in cosmos, evolution may be confined to individual systems like the earth or the Solar system or the Globular clusters but the old concentrations of mass become dead and new concentrations may take their place in a cyclic way. The whole secret of this chain of process seems to be locked up in the physics of the atomic nucleus to which we must look in the next few years for clearing up the riddles which confront us in our efforts to know the mysterious universe.

You may now justly complain that I have soared to such aesthetical heights that matters concerning life have been completely ignored. To a scientist life is a queer thing, not subject to reason or law like inanimate objects but swayed in its action by inexplicable impulses which Schopenhauer calls "Will". One would like to know whether on any of the myriads of heavenly bodies there may be intelligent beings and whether they have been able to evolve a system of controlling life better than ours. There is no reason to think that life should be confined to our planet alone, but it must be admitted that nobody has yet succeeded in establishing communication with such extra-terrestrial beings though the French Academy has been proclaiming a prize of one hundred thousand francs for several decades for finding out a practical method of opening communications with Mars, our next neighbour.

I suppose that we would all agree, that what we look for in the future is the assistance of science—if it can give—in securing a more national manipulation of human nature. Our conclusion must I suppose be that science is really only one of the agencies which are available for removing somewhat basic disturbance in the human balance. Scientific methods have been applied by scholars to the study of the subjects of more human interests like Civics, Politics, Economics, History, Social Eugenics and Experimental psychology. In fact, it has appeared to many thinking men that much of the evils of the present day world are due to the non-adoption of the human organisations to the changing conditions of the world. Owing to improved methods of communication and to much better contact between different parts of the world, the world is fast becoming one economic and cultural unit. But the politicians still persist in their Olympian attitudes.

Dr. Saha next pleaded for a proper organisation of India's scientific brains and added that the non-official scientific men have a just cause of grievance against the Government. He then sketched out a scheme for an Indian Academy like the Royal Society in England or the Prussian Academy in Germany, the apex of a pyramid of societies devoted to particular subjects. Its membership should be limited and should be considered a mark of distinction and honour.

TERRORISM IN INDIA

January—June 1934

Civil Disobedience and Terrorist Activities

Bengal Administration Report 1933

The beginning of the year 1933 found Government in a stronger position than at any period since the end of 1929. The campaign of civil disobedience, which was revived in January 1932 after the return of Mr. Gandhi from the Round Table Conference, had been in operation for twelve months and had effected nothing. The prompt arrest of the principal Congress leaders, the immediate enforcement of a series of Ordinances, and the unhesitating prosecution of those who broke the law for political reasons threw the movement entirely out of gear and restored the morale of all those whose interests were incompatible with a regime of civil disorder. By the end of 1932 civil disobedience had practically ceased to exist either as an organised movement or as an effective political weapon. It would not be correct to say that popular sympathy with the aims of Congress was any less, but there was a growing realization that self-government was not to be achieved by the picketing of liquor and foreign cloth shops or by the voluntary imprisonment of a few thousand persons. This change of feeling found expression in the readiness with which the Bengal Legislative Council passed the Public Security Act in November 1932, a measure which was paralleled simultaneously in the central and in other provincial Legislatures. It embodied most of the provisions of the Special Powers Ordinance and replaced the latter when it expired. Government was thereby furnished with adequate means to check the forces of disorder, and the country was offered the prospect of a steady return to peaceful conditions, and these powers were conferred not by an edict of the Governor-General, but with the assent of the representatives of the people themselves. Moreover, as the Governor-General assured the Legislative Assembly, these provincial Acts were temporary measures designed to meet a temporary emergency. They were not intended to be retained upon the statute book in perpetuity, and it was hoped that they would only remain in force during the period of transition from the present to the future constitution. The Bengal Public Security Act remains in force only until December 31st. 1935.

After the expiration of the Ordinances there were some attempts to reorganize civil disobedience in Bengal, but these met with little success. A number of hartals occurred on "Gandhi day" (January 4th.), but the only areas to which it was found necessary to extend the provisions of the Public Security Act were the Tamluk, Contai, and Sadar subdivisions of Midnapore district and the Arambagh subdivision of the district of Hoogly. His Excellency the Governor visited Midnapore, Mahisadal, Tamluk and Burdwan during the month of January, and was well received everywhere. On January 24th. in the Patgram police-station of Jalpaiguri district a number of Congress volunteers and local roughs interfered with the public in a mela. The police arrested three persons, and were then attacked by a mob. They were compelled to open fire, and one man was killed. This was an isolated occurrence in no way typical of the state of the province. Even the celebration of Independence Day on January 26th evoked comparatively little enthusiasm, and an occasion which had previously resulted in encounters between the police and unruly crowds passed off quietly almost everywhere. In Calcutta 170 persons were arrested, and 51 were subsequently convicted for participating in unlawful processions. The Education Officer of the Calcutta Corporation took part in one of these processions and was sentenced to 3 months' imprisonment in consequence. The proceedings of the Corporation itself on the previous day, however, afforded an indication of the gradual change in public opinion. When a councillor attempted to move a motion for the hoisting of the Congress Flag on all Corporation buildings he was ruled out of order by the Mayor on technical grounds. Twelve months before such a resolution would probably have been admitted, and might well have been carried.

In the middle of February it was announced that the 47th. session of the Indian National Congress would be held in Calcutta at the end of March, and the dates finally selected were March 31st and April 1st. The Nationalist Press at first paid somewhat scant attention to this announcement, and waited to see what action Government would take. It did, however, suggest that the Congress should be permitted to meet in plenary session so as to have an opportunity of discussing, and

possibly of calling off, the civil disobedience movement, which was in varying degree admitted to have failed as an effective political weapon.

In pursuance of this decision a crowd of about 800 persons assembled at the north end of Chowringhee, and Mrs. Nellie Sen-Gupta attempted to read something from a piece of paper. She was immediately arrested, along with 240 others, and the crowd was dispersed. A subsequent attempt to hold a meeting elsewhere was also frustrated, and that was the end of 47th session of the Indian National Congress. In all 920 delegates were arrested of whom 440 came from the United Provinces and only 236 represented Bengal and Assam. These figures illustrate the comparative indifference of the province as a whole to the proceedings of this Congress session. On the other hand, in view of the Press suggestions of a possible change of policy on the part of the Congress leaders, it is interesting to note that the paper seized from Mrs. Sen Gupta contained among others a draft resolution re-affirming belief in civil disobedience.

Civil disobedience continued to decline during the month of April, and despite the efforts of Congress to the contrary the collection of chaukidari taxes in such strongholds as the Arambagh sub-division of Hooghly and Midnapore district showed some improvement. An interesting anti-picketing development in Midnapore was the formation of a Merchants' Association to encourage free and unrestricted mutual trading, and on the occasion of the Commissioner's Durbar this association presented an address of welcome. Government, in fact, was by this time able to adopt a policy of premature release of civil disobedience convicts whose offences had not been tainted by violence. Seventy-four such releases were effected in April, and the number rose during each of the succeeding months. Despite the exodus of these convicts pronounced by Mr. Srinivasa Sastri at the 14th session of the National Liberal Federation held in Calcutta on April 15th, candidates for imprisonment were slow in coming forward, and the following figures are interesting. On July 1st 1932 there were 3,093 civil disobedience convicts in the jails of the province. By the 1st January, 1933 the number had fallen to 1,704. On July 1st 1933 the figure was 878, and by the 1st January 1934 the total had dropped to 371. Convictions for civil disobedience offences, which numbered 844 for the first quarter of 1933, fell to 307 for the second quarter, to 261 for the third quarter, and to 157 for the last quarter of the year. The policy of premature release gave no impetus to the movement, for the country was weary of what was patently a barren failure. Economic conditions were against its success and demands for an alternative and less sterile policy began to appear even in the nationalist Press. Three factors in particular tended to increase the volume of these demands, namely, the behaviour of Mr. Gandhi, the activities of the terrorists, and the publication of the White Paper.

The depression which had descended upon the Congress in Bengal was intensified at this particular juncture by the death of one of its principal leaders. At the beginning of 1932 a number of prominent Congressmen in the province had been arrested and detained as State prisoners under Regulation III of 1818. Among them were Mr. J. M. Sen-Gupta, Mr. Subhas Bose and Mr. Surat Bose. Mr. Sarat Bose was subsequently permitted to reside under restrictions at Kurseong; and in February 1933 Mr. Subhas Bose was allowed to proceed to Europe for medical treatment. Mr. J. M. Sen-Gupta was similarly allowed to live in comparative freedom at Ranchi on account of the state of his health, and he died there suddenly on July 23rd. He had been five times Mayor of Calcutta, and was also an ex-President of the Calcutta and Bengal Provincial Congress Committees and the news of his death was received with dismay in Congress circles. Many eulogistic obituaries appeared in the newspapers, and numerous condolence meetings were held throughout the province. When his body was brought down from Ranchi, a funeral procession attended by nearly 15,000 persons escorted it for twelve hours through the streets of Calcutta from Howrah to Kalighat, where a vast crowd attended the cremation ceremony. A feeble attempt was made by certain sections of the Press to suggest that his death had been accelerated by confinement, but the medical reports refuted this allegation, and it found little credence generally.

Terrorism

In 1932 the Government of India decided to deport to the Andaman Islands certain terrorist convicts whose presence in the provincial jails had an undesirable effect upon other prisoners, and who continued to form the nucleus of plots and conspiracies. In that year 58 persons were accordingly sent to Port Blair, and in 1933 a

further 90 followed them. This policy aroused a certain amount of hostile criticism in the Press and on the platform, and an Andaman Prisoners' Relief League was formed in Calcutta. In the middle of May a hunger-strike on a large scale commenced in the Cellular Jail at Port Blair, and continued for more than a month. The object was to extort concessions from the authorities, but the latter refused to be intimidated, and the Government of India announced that there would be no discussion of the alleged grievances until the strike was called off. It was unconditionally abandoned at the end of June, but not before one convict had died from shock as a result of resistance to forcible feeding, and two others had expired from an attack of pneumonia which they had not the strength to resist. This hunger-strike was the signal for protests in the Press and questions in the Legislative Council and the Assembly.

The senseless murder of Mr. Burge was the darkest blot in the year's record of terrorist crime. This outrage stirred feelings very deeply all over the country. Some of the Hindu newspapers renewed the cry that the measures adopted for dealing with terrorism had demonstrably failed. The truth, however, is that the general situation as regards terrorist crime decidedly improved during 1933. There was a marked reduction in the number of outrages and political dacoities, and in several cases there was a most welcome disposition on the part of the public to join with the forces of Government in rounding up the culprits. This was particularly noticeable in respect of the Naldanga, Kurigram, and Hili dacoities, which have already been mentioned. In addition police and military forces working in liaison throughout the year executed a number of operations which resulted in the capture of large quantities of arms, ammunition, and explosives, and in the arrest of many dangerous absconders and suspects. Generally speaking, the police and the magistracy were better equipped than before to grapple effectively with the terrorist movement, and proposals were under consideration at the end of the year for strengthening their hands still further. Terrorism, however, is far from being stamped out and much remains to be done. Recruitment still continues in schools and colleges, large numbers of arms are known to be still in circulation among members of revolutionary organizations, and desperate characters are still at large in various parts of the Province. While these conditions continue there can obviously be no guarantee against further outrages, and the situation must continue to be one of anxiety, calling for constant vigilance. The process of attaining success against this widespread movement is slow and difficult but on the other hand there is definite reason for believing that the terrorist groups have been in a large measure disorganized and that the policy of steady pressure is having its effect.

The restraining influence to which newspapers were first effectively subjected in 1932 continued during the year under review and had a salutary effect. There was a noticeable diminution of the offensive language, the deliberate misstatement and misrepresentation of facts, and the organized campaign of hate which disgraced some sections of the Press in 1930 and 1931. During the course of the year security was demanded in 26 cases, and in 9 of these complete or partial forfeiture was ordered, while 79 warnings were conveyed to individual editors by the Press Officer.

The alleged increase in the number of offences against women attracted the attention of the Press during the year under review. The total number of cases reported to the Police under sections 354-366 376 of the Indian Penal Code for each of the four years 1929-32 inclusive was 778, 697, 729, and 772, respectively. The total number of "True" cases reported to the Police and the Magistracy combined for the same four years was 1,029, 684, 690, and 821, respectively. The total number of persons arrested was 2,006, 1,389, 1,552, and 1,657, and the total number of persons convicted was 409, 402, 352, and 499. These figures speak for themselves. With regard to the communal aspect of the subject the figures are equally interesting. For the six-years 1926-31 inclusive the number of Hindu victims was 324, 325, 304, 367, 362, and 338; while the number of Mahomedans was 494, 579, 657, 538 and 582 respectively. These figures show, not only that there has been no appreciable increase in the number of Hindu women assaulted, but that more Mahomedan than Hindu women have suffered in this connection, and that it is in respect of the Mahomedan women that there has been some increase in the number of outrages. It is noteworthy also that, while outrages by Mahomedan men upon Hindu women during each of these six years numbered 114, 122, 105, 114, 109 and 125 respectively, those perpetrated by Hindu men upon Hindu women totalled 205, 201, 198, 231, 234, and 194, respectively. The suggestion that Bengal's record is worse than that

of other provinces is also refuted by the figures. While the evil undoubtedly exists and while the figures available may not reveal the full extent of it, they are nevertheless a sufficient indication of the truth to enable it to be said that special action or legislation by Government is not required at the present moment. The subject, however, is not one which can be disposed of by statistics. That such crimes are perpetrated is a blot on the province, and the sense of horror they evoke is a welcome sign of a rising public conscience.

There was little change during the year in the general tone of the press. The extremist section remained dominant in influence, and if it did not use such offensive language as in years past, this was because of the restraint imposed on the Press by the Press Act and the Emergency Powers Ordinance. The sympathy of the nationalist press for the civil disobedience movement found expression in glaring headlines and news items and in bitter criticisms of Government motives and measures, and a subdued admiration for terrorists and their activities was ill-concealed, even though open encouragement was rarely in evidence. There were only a few genuinely moderate papers of importance outside the Moslem press, which, except in matters having a communal complexion, attempted to understand and judge Government with sympathy and fairness. The most noticeable feature of the year was the growing cleavage between the Hindu and Moslem press, and the gradual disappearance of the nationalist section in the latter. The anticipated effects of the Communal Award on the division between the two communities of powers to be transferred by the new constitution mainly contributed to this development.

Bengal Jail Administration Report 1932

The annual report on the Administration of Jails of the Bengal Presidency for 1932 was published in February 1934. The principal item of interest during the year includes the tornado disaster at the Mymensingh jail in which according to the report 31 persons were killed, of whom 20 were convicts, 2 under-trials, 5 warders, 3 outsiders and 1 constable. The number injured was 100, of whom 50 warders and 30 prisoners were seriously injured.

The attempt on the life of Mr. Chas. A. Luke, Superintendent, Rajshahi Central Jail was the next item dealt with in the report. It adds : special prominence was given in the Press to punishments given to civil disobedience prisoners and terrorist prisoners at Rajshahi. It is possible that the outrage was partly attributable to this.

Referring to civil disobedience prisoners, the report says that owing to renewal of the movement in the earlier part of the year, "there was a heavy influx of civil disobedience prisoners in the jails and sub jails of Bengal. These were mostly concentrated in the special jails at Dum Dum and Hijli and the female civil disobedience prisoners in the Berhampore female jail.

The civil disobedience prisoners did not attempt to escape and seldom used violence but they constantly attempted to break rules.

Referring to discipline in jails the report says the increase in the number of convicted terrorist prisoners has been marked ; these prisoners either in division II or divisions III have been exceedingly troublesome and a source of great anxiety to Superintendents. They have constantly attempted to undermine discipline, and have unauthorised communications with outsiders. The jail staff were frequently threatened by them.

There was no State prisoner remaining at the beginning of the year and one was received during the year and none remained at the close of the year.

This class of persons is detained under the provisions of the Bengal Criminal Law Amendment Act, 1930. Under the orders of Government, they were excluded from the jail statistics. There were 294 detenus confined in jails on the 1st January 1932 and 345 detenus at the end of the year.

In the Hijli Additional Special Jail, two convicts escaped in the following manner :—There were some confusion going on in the hospital compound where a large

number of civil disobedience prisoners had collected on account of the death of a civil disobedience prisoner in the hospital which is situated close to the perimeter wire. Taking advantage of the confusion 2 convicts slipped away unnoticed and passed through the first wire fence and scaled the line of outside wire fence and escaped. Another convict escaped at night from the darmahmat made cell due to the slackness of the patrolling sentry. All the 3 convicts were recaptured.

In the Midnapore Central Jail 3 convicts convicted of terrorist crimes escaped during the night. They were kept in the State Yard along with a number of other Division II prisoners and some ordinary prisoners who performed menial duties in the yard. The convicts presumably had remained outside the ward when it was locked up and the fact of their remaining outside the ward was not detected in time, as the counting was not properly carried out by the head warden on duty. The convicts escaped by scaling the wall by means of a ladder made up of a number of their own dhuties and a bent iron khunti attached to the same which was used as a hook. Only one of them was recaptured during the year, but the other two have since been captured.

This escape proved the danger of issuing dhuties to prisoners, and showed that the control of these prisoners was not sufficiently maintained.

ion Report 1933

The number of "terrorist" convicts which at the beginning of the year was 225 stood at its close at 438, and this after 88 had been removed to the Andamans, states the resolution of the Government of Bengal on the report of the administration of the Jail Department of the province for the year 1933 issued in June 1934. The resolution proceeds :—

During 1933 the population of civil disobedience prisoners fell from 1,202 at the beginning to 371 at the end of the year. Unfortunately the decrease of civil disobedience prisoners was not accompanied by any corresponding decrease of ordinary prisoners with the result that the pressure on the jail accommodation was not relieved as much as might have been expected. The average daily strength during the year was 21,405.39 against 22,618.23 in the previous year, so that it was again nearly 50 per cent in excess of the normal figure before the civil disobedience movement of 1930 began. The prison population at the end of the year was actually greater than at the corresponding period of the previous year, being 20,659 against 20,497. Economic conditions no doubt contributed in a large measure to this result, but the spirit of lawlessness aroused by the civil disobedience movement must be held also to have had its effect.

It was, therefore, possible to close only one of the five special jails, and comparatively little saving could be effected in the cost of guarding and maintaining prisoners. The cost during the year was, it is true, over two and a half lakhs of rupees less than in the previous year but almost whole of this is accounted for by the fall of expenditure on dietary charges due to the drop in food prices.

The number of terrorist convicts which at the beginning of the year was 225, stood at its close at 438 and this after 88 had been removed to the Andamans. The total number of such convicts admitted to prison during the year was no less than 741, an unwelcome reminder of the grip that terrorism has gained on the youth of the country. The increase in this dangerous class of prisoner has greatly complicated jail administration, for in order to prevent the contamination of other prisoners and the hatching of plots to commit further outrages it is essential that the terrorist convicts should be segregated not only from ordinary prisoners, and especially adolescents, but also from one another during those hours in which they are not engaged in labour. The question of providing more cellular accommodation which has always been inadequate, has therefore become a matter of urgency. During the year under review it was found necessary to construct 20 extra cells in one of the central jails for the segregation of terrorist prisoners at a cost of Rs. 19,700 and the department has since been compelled to take up the question of providing additional cellular accommodation in two other central jails.

During the year under review 88 terrorist prisoners were transported to the cellular jail at Port Blair, three of whom were subsequently repatriated on medical grounds. The re-opening of this jail has eased the question of guarding and segregating terrorist prisoners in Bengal Jails, but has by no means solved the problem, as many terrorist prisoners are ineligible for transportation, either because their sentences are of shorter duration than five years or for medical reasons.

The cessation of civil disobedience led to a gratifying fall in the number of juvenile and adolescent prisoners admitted to jail during the year, the percentage of prisoners under 16 having fallen from 0.84 to 0.35, of prisoners between 16 and 18 from 7.42 to 4.23, and of prisoners between 19 and 21 from 12.76 to 9.58. There was also a substantial decrease in the number of female prisoners, though the number of admissions was still double the normal figure.

Interpellations in Councils and Parliament

RELEASE OF DETAINEES

In the Assembly, on the 30th January, Sir Harry Haig replying to Mr. S. C. Mitra regarding the release of State prisoners and detenus stated :—

The Hon'ble Member presumably refers to persons against whom action has been taken under Regulation III of Bengal Criminal Law Amendment Act on the ground of their terrorist activities. They are detained because Government are satisfied that their release would strengthen the terrorist movement and as long as those conditions exist there can be no question of their release. Some of them have been detained since 1931. As the terrorist movement still continues it is not possible in any way for how long it will be necessary to detain them. In some cases it has been necessary to take action under Regulation III or Bengal Criminal Law Amendment Act as a preventive measure against terrorists who have been acquitted or discharged on specific charge.

Series of supplementaries followed. Mr. Gaya Prasad Singh asked :—Is it the intention of Government to put on trial before a regular court of law those persons who have been so long detained without trial?

Sir Harry Haig: No Sir, it is not the intention of Government to put them on trial before an ordinary court of Law.

Mr. S. C. Mitra: Will the Honourable Member tell the House whether the Government have taken any steps to bring these persons who are alleged to be connected with terrorist crime round to constitutional views or to provide them with employment after their discharge, so that they may make better citizens according to Government estimate?

Sir Harry Haig: It is always open to detenus to approach the Government if they have changed their views and have come to the conclusion that they have been pursuing a mistaken policy.

Mr. S. C. Mitra: I am afraid the Hon'ble Member has not followed my question. What I want to know is whether the Government have taken or are going to take any steps to bring these persons who are alleged to have terrorist tendencies, round to constitutional views or are they merely detained for an indefinite period of time and that they should be allowed to remain as bad as they are for ever.

Sir Harry Haig: It is not very easy to change the views of men whose views are so set that they are prepared to take these courses in pursuance of them.

Mr. S. C. Mitra: May I take it that the Government is of opinion that detenus are of such set views that they can never be made good citizens?

Sir Harry Haig: I hope that is not the case and in fact Government are anxious by separating more determined from what they judge to be less determined men and to give a chance to less determined men and to revise their views and that is a matter which Government have always in mind.

Mr. S. C. Mitra: Is this the only step that Government are taking, namely, to separate more determined from less determined or are Government taking any further steps to bring them round to constitutional views?

Sir Harry Haig : I hope, Sir, the course of events next few years will gradually operate in the direction which the Honourable Member desires and who were not arrested in connection with terrorist movement.

Sir Harry Haig : I would suggest if the Honourable Member desires information about State prisoners other than those detained in respect of terrorism he should put down question on the subject.

ANTI-TERRORIST MOVE—CHITTAGONG MEETING

At a meeting of the anti-terrorist organisation formed sometimes ago by several prominent Hindu citizens with the assistance of the Sadar Sub-Divisional Officer held at the residence of the Sadar S. D. O. Chittagong, on the 28th January, a large number of men including lawyers, educationists and union board presidents discussed the present situation and the need for further consolidated and combined effort on the part of parents and guardians in the matter of reforming and controlling the students so as to prevent recruitment to the terrorist party.

The Sadar S. D. O. explained the necessity of combination of guardians by which alone could the problem be effectively dealt with. If they were vigilant as to the movements of their wards, recruitment to the terrorist organisation could easily be prevented. Boys ought to be convinced by their parents and guardians of the ruinous effects of the subversive movement. This work ought to be supplemented by teachers working out the block system recently introduced by the authorities in schools in order properly to look after the students regarding their study, character and association. If such co-operation and co-ordination among guardians and teachers was actively continued, he believed that the terrorist activities would soon cease.

Resolutions were passed condemning the recent terrorist outrage on Europeans at Chittagong ; supporting the activities of the anti-terrorist organisation in different villages in the interior of the district and expressing strong determination to carry on the work in spite of all opposition. The meeting also decided to hold public meetings in all important villages, including Patiya, Saroatali, Gairala and Sakpura within the disturbed area, in order to explain the present situation and the remedy.

In pursuance of the resolutions two mass meetings of villagers of Patiya and Saroatali were held on the 2nd. and 4th. February 1934 at the important centres within the disturbed area. The Sadar Sub-divisional Magistrate attended both these meetings. The speakers included the Sadar S. D. O., Messrs. Ramani Ranjan Chakrabarty, Rajani Ranjan Biswas, Bireswar Bhattacharjee, Krishna Kumar Sen, Pleaders, Mr. Harish Chandra Sen, Secretary, Saroatali High School. The meeting at Patiya was presided over by Mr. Govinda Chandra Bhattacharjee while the meeting at Saroatali by Mr. Nishi Chandra Dutt.

All the speakers explained the present situation created by the terrorist movement and appealed fervently to the parents and guardians to combine and make consolidated efforts to convince the boys of the utter futility of the subversive activities and their disastrous effects. They should also keep careful watch on their wards and sons so that they may not fall into bad company, which, in the opinion of the meeting, will act as an effective check to the recruitment to the terrorist party.

Resolutions were adopted in both the meetings urging on the guardians to form a compact body and sub-committees under the central committee, at every village, members of which in co-operation with teachers would look after the boys at home and school, at play and recreation, would make a list of boys who in their opinion are not of satisfactory conduct, would try to reform and reprimand them, and if any one still found incorrigible would report about him to the central organisation.

It was further resolved that the village committees will render such help to the military authorities as required.

GARHWALIS IN CONTAI

On the 5th. February Mr. David Grenfell asked in the *House of Commons* why people in Contai, Midnapore had been ordered to attend Garhwali Soldiers' route march and salute the British Flag, also under what authority the civilians were required to attend military parades and ceremonies and a number had been apprehended for failure to comply.

Sir Samuel Hoare replied that he had asked for information and hoped fully to reply next week.

TERRORISM IN BENGAL

On the same day, in the *House of Commons*, the *Duchess of Atholl* drew attention to a statement of the Home Member, Government of Bengal, as regards terrorism.

Sir Samuel Hoare replied that the present terrorism campaign had been continued with determination since the Chittagong Raid in 1926. Of late, the police had increasing success, part of which was due to discovery of information regarding the extent of the organisation, whilst a number of leaders had been captured. Manifestations had been checked but potentialities remain serious on account of continuance of recruitment. The Bengal Government had, therefore, introduced a Bill making permanent Bengal Criminal Laws strengthening the existing law, where experience had shown it to be necessary. On the whole the situation was better than in last July. "because we are now able to take better steps against it".

OPPRESSIONS IN MIDNAPUR

At the *Bengal Legislative Council*, on the 8th February, Mr. R. Maiti asked : Will the Hon'ble Member-in-charge of the Political Department be pleased to state whether the Government have received a petition dated the 21st December, 1933, from Babu Ashutosh Roy Choudhury of village Balyagobindapur, police station Pataspur, in the Contai sub-division of the Midnapore district, stating that, during the early hours of the 10th December last, his house was surrounded by a party of Garhwali soldiers and some police officers with Mr. Dinendra Nath Mukherji, the Special Magistrate of Contai, at their head, and on Ashu Babu's coming out of the house he was asked to salute the Union Jack, and before he had explained his position fully he was belaboured with a cane while his hands were tied up behind his back and every article of his house broken in course of the searches made therein ? Is it a fact that the said petition further stated that after the above incident he, the said Ashu Babu, was taken to the soldiers' camp at Manglamara and locked up in a room without any food for the day till 5 p.m. when he was brought to the Parade ground and asked to salute the flag again, but on his refusal to do so, he was mercilessly beaten by the Special Magistrate with heavy strokes of cane and his head was forcibly struck against the ground for salutation while threatening with him bullet shots ?

Mr. R. N. Reid replied : A petition containing the allegations referred to was received.

Mr. Maiti : What steps do the Government propose taking against those who committed such oppressions upon the person or persons referred to in the above petition ?

Mr. Reid : Government have made enquiries and are satisfied that no oppression was committed.

Mr. Maiti : Is the Hon. Member aware that similar oppressions were also committed by the same party in the houses of one Ramanil Maiti of Balyagobindapur village, one Atul Chandra of Amarsihi village, one Kilipado Roy of Palpara village in police station Pataspur, as well as in other parts of the district of Midnapore ?

Mr. Reid : No.

The Home Member in reply to a supplementary question put by Mr. S. C. Chaudhury said that the allegations were false. The Home Member added that it was a matter for the Government to decide whether prosecution should be started for making the allegations or not.

Mr. N. K. Basu : Is it a part of the duty of Garhwali soldiers to surround the house of people ?

Mr. Reid : Yes, when they are called upon to do so by the District Officers.

Mr. Basu : Is the Hon. member aware that it is only in the case of unlawful assembly for the purpose of dispersing it that the civil officers can call upon the military to assist them ? Mr. Reid : I require notice.

Mr. Basu : Is the Hon. member aware of the state of the law on the subject ?

Mr. Reid : I have already asked for notice.

Mr. Basu : Will the Hon. member state the circumstances under which the Garhwali soldiers were called upon by the Civil authorities to surround the House ?

Mr. Reid : The services of the soldiers were requisitioned for assisting the police in conducting house searches.

Mr. Basu : Under what provision of law the military was asked to assist the civil authorities in conducting house searches ?

The Hon. President : I do not think you can put that question.

Mr. Basu : Is the Hon. Member aware that it is illegal for Magistrates to call upon soldiers to assist them in conducting house searches?

Mr. Reid : I am not aware of it.

Mr. R. Maiti : Will the Hon. Member-in-charge of the Police Department be pleased to state whether it is a fact that on the 6th September last, i. e., some four days after the murder of Mr. Burge, the District Magistrate of Midnapur, the houses of several respectable citizens of the Midnapore town were searched and in course of such searches the owners or their sons were mercilessly beaten and every bit of their household things were broken to pieces? What were the reasons for beating people and breaking their things in course of the searches made in their respective house?

Mr. R. N. Reid : It is correct that several houses were searched in Midnapur on the morning of 6th September, 1933, in connection with the investigation into the murder of Mr. Burge, the then District Magistrate. These searches were confined to the houses of known political suspects. A certain amount of unavoidable damage was done in the course of these searches, and as some people obstructed the search, force had of necessity to be used.

Mr. Maiti : Were these incidents brought to the notice of the Govt? *Mr. Reid :* Yes.

Mr. Maiti : What steps have the Government taken in this matter?

Mr. Reid : An enquiry was made by the Divisional Commissioner. He was met by six of the leading residents of Midnapore who informed him that they did not want any formal enquiry, and would be satisfied if he inspected the damage that had been done.

Mr. Maiti : Is the Hon'ble Member-in-charge of the Political Department aware that several notices were served in the first week of December, 1933, upon several gentlemen including Rai Sahib Sarat Chandra Mukherjee, M. L. C. residents in the Tamluk town in the district of Midnapore, asking them to explain why they failed to attend the ceremonial parade held by the K. R. R. Battalion on the 29th November last when they came to Tamluk on their en route march? *Mr. Reid :* Yes.

Mr. Maiti : Who used such notices and under whose authority were they issued? *Mr. Reid :* In accordance with practice and precedent when troops are on the march, the Sub-divisional Officer, Tamluk, issued notices of a ceremonial parade to be held at Tamluk on the 29th November last, requesting the attendance of leading residents. As some of the latter neither attended nor replied to the invitation, the Sub-divisional Officer thought it desirable to give these gentlemen an opportunity of explaining their absence.

Replying to *Mr. N. K. Basu*, who started putting supplementary questions, as to whether non-attendance in response to notice of ceremonial parade was something which required explanation, the *Home Member* said that in this particular case the invitation was issued to leading residents and others including title-holders and he thought it reasonable to suppose that the local officers should ask the gentlemen concerned to explain their absence. He did not wish to say that it was a part of the duty of the title-holders to attend such a parade but courtesy demand that they should be present.

Mr. Basu : Was there any communication in the notice that non-attendance will have to be accounted for? *Mr. Reid :* No, Sir.

Mr. Santi Shekhar Swar Roy enquired whether it had been the practice of government always to call for an explanation in such cases or whether this was an innovation. The *Home Member* was heard to say that he was not in a position to answer the question.

Mr. Santi S. Roy : Is it a fact that when troops are on route march in Calcutta the residents are called upon to be present?

Mr. Reid : It is probably correct but in this particular case it was a ceremonial parade.

Mr. Roy : May I remind the Hon. member that ceremonial parades are held on January 1, every year, but are residents of Calcutta called upon to attend?

Mr. Reid : So far as I know, invitations are issued to a large number of people to witness the parade.

Mr. Roy asked the *Home Member* to cite instances where failure to attend had resulted in the persons concerned being called upon to give an explanation. "Not that I am aware of," replied the *Home Member*.

Mr. Roy : Might I know whether the notices were issued to humiliate respectable persons ? **Mr. Reid :** No.

The *Home Member* told Mr. N. K. Basu that Government were entitled to know why certain persons including title-holders were absent from such parades.

Mr. N. K. Basu : Do the government approve of this action of the local officers in asking for an explanation ? **Mr. Reid :** Yes.

Answering Dr. N. C. Sen Gupta as to the "real purpose and intention of these notice," the *Home Member* said that this was an invitation to attend a public ceremony and to accord a welcome to the troops who were visiting the town.

Mr. Basu : Barring invitations at Government House ceremonies, is the Hon. member aware of any case where there is an obligation upon the absentee members to explain their conduct for non-attendance?

The *Home Member* replied that he could conceive of such cases but he asked for notice to answer the question.

MIDNAPORE DURBAR SPEECH

Mr. Santi Shekharwar Ray asked :—Will the Hon'ble Member-in-charge of the Political Department be pleased to lay on the table a copy of the speech of Mr. L. B. Burrows, officiating Commissioner of the Burdwan Division, at the Durbar held at Midnapur in December, 1933 ?

Mr. Reid :—Yes. A copy is laid on the Library table.

Mr. Ray :—Was he authorised by the Government to express the views of the Government as well as his own views as the Commissioner of the Division on the occasion ? **Mr. Reid :**—Yes.

Mr. Roy :—Is it permissible for a Government servant of the rank of a Commissioner of a Division to give expression in a Durbar speech to a view which is different from that of the Government or the Member in charge of the department ?

Mr. Reid :—Government servants are not permitted to criticise in public the declared policy of the Govt.

With regard to the speech of the Commissioner of Burdwan Division at the Durbar held at Midnapur, the *Home Member* told Mr. Shanti S. Roy that the speech had been published by the Publicity Board, but denied that along with the pamphlet the Board circulated photos of the Commissioner.

GARHWALIS AT CONTAI

In the *House of Commons*, on the 12th February, Mr. David Grenfell asked again questions regarding attendance at military parades and ceremonials.

Sir Samuel Hoare replied that with the object of ensuring that when a regiment was on march its progress was to be made an occasion of some formality and ceremony, the Bengal Troops manual of 1914 provided for issue of invitations to the local gentlemen to attend the arrival of troops. In the instance referred to by Mr. Grenfell notices were sent out by the Sub Divisional Officer of Contai. It seemed that it had been expressed more peremptorily than contemplated by the manual. No force, however, was used to compel attendance nor was anyone apprehended for failure to attend.

ALLEGED PLAN TO MURDER GOVERNORS

In the *House of Commons*, on the 12th February, replying to the Duchess of Atholl, Sir Samuel Hoare circulated a table showing that terrorist conspiracy cases instituted and accused persons respectively since last June, were :—

Name of Province.	Terrorist conspiracy cases.	No. of accused.
Bengal	3	25
Madras	2	30
Behar	1	2
Bombay	2	8

The Duchess of Atholl drew attention to bomb throwing at Chittagong on January 7 and said that a leaflet found on the killed terrorist signed by the Chittagong branch of the republican army stated that the branch was launching relentless and never failing campaign against every Englishman. The Duchess asked for assurance of increased protection to be given against similar terrorism.

Sir Samuel Hoare in reply paid a warm tribute to the coolness displayed on that occasion both by the officials and non-officials and said that the official account

of the attempted outrage did not mention of discovery of a leaflet on either of the dead terrorists. *Sir Samuel* added that stringent precautionary measures had been enforced in Chittagong area for some time. He said that patrolling of European residential areas had recently been increased and a bill amending the Criminal Law Amendment Act had been introduced.

The *Duchess of Atholl* then gave notice that she will raise the matter of the leaflet on an adjournment motion. The Duchess next drew attention to the recent trial of terrorists in Madras in which evidence led to show that some twenty conspirators plotted to assassinate officials and murder Governors of Madras and Bengal, raid European banks and business houses. The Duchess asked if those, believed to be concerned in the conspiracy, had been brought to trial and whether increased protection was being given.

Sir Samuel Hoare replied that the case was still 'sub judice' and added that he was satisfied that the police exercise all the possible vigilance to guard against outbreaks of terrorist activities in Madras.

TERRORISM IN INDIA

Terrorism in India was discussed in the *House of Commons* on a motion of adjournment on the 14th February 1934. The question was raised by the *Duchess of Atholl* particularly with reference to leaflets discovered in Chittagong. The Duchess dwelt on the extent of terrorism. She said that she felt that the answer given on February 12 about terrorist conspiracies in provinces other than Bengal in the last six months was inadequate, and expressed the opinion that it was very difficult to reconcile Chittagong affair with statements in the House last week, that manifestations of terrorism in Bengal had been checked.

Mr. Mitchell Banks (Conservative), declared that some members were inclined to think that there was a tendency to take a complacent attitude and use the fatal phrase that the situation was well in hand, which generally preceded a catastrophe. If this menace was growing in India despite preventive measures, it would be relevant for the members of the *House of Commons* to consider whether the time was yet ripe to transfer to Indian Ministers the control of police and judiciary.

Sir Samuel Hoare denied that he was complacent in the face of a most difficult and most dangerous issue under discussion. It was difficult to treat the subject effectively, owing to the risk of complacent optimism, the risk of pessimism, which would discourage loyal forces in India, particularly Bengal, and the risk of disclosing information valuable to terrorists. His evidence did not go to substantiate the criticism that terrorism was spreading very widely and becoming more dangerous in provinces outside Bengal.

Sir Samuel Hoare said that he would never be driven to the position of saying that "our measures for dealing with terrorism are adequate to deal with a foe as subtle, insidious and unscrupulous as we confronted in India," but emphasised that Government had given the Government of India and the Government of Bengal every power that had been asked for and they would be given every support in future. *Sir Samuel* paid tribute to the splendid spirit of the personnel of the Government of Bengal, particularly in the dangerous districts. Government were resolutely determined to eradicate this evil, even though it might take time. Government had behind it in the Government of India and the Government of Bengal the moral and practical support of the European population, and what was perhaps most important—Government were more and more finding Indian public opinion veering to their side and giving them support, which was conspicuously lacking in former years. In support of the contention that his evidence did not substantiate the criticism that terrorism was spreading, *Sir Samuel* said that out of the eight terrorist conspiracy cases during the last six months, five were outside Bengal, but apart possibly from the Madras case they did not show any new abnormal features and the police were able effectively to deal with the movement outside Bengal under the ordinary statute of the law.

Sir Samuel Hoare entirely disclaimed the charge that his information was not adequate or that it was in any way withheld from the *House of Commons* and emphasised that Chittagong leaflets did not materially differ from those previously discovered in every other serious outbreak, of which the India Office had many copies. The Government realised that they were not faced with a transitory movement. The only way to deal with it was to effect permanent, and not temporary measures. He emphasised that the local Administration in Chittagong had been given every power that had been asked for.

He paid a tribute to the splendid spirit and personnel of the Government of Bengal, particularly in dangerous districts, and said that the District Magistrate of Chittagong rose to a most difficult situation. "He is a remarkable man on whom we can fully depend." Sir Samuel paid a tribute to the military and civil forces who were fully co-operating in suppressing the outbreak and also to the European community who were completely keeping their nerve and giving the local Administration every possible support.

EXTERNMENT IN MIDNAPORE

In the *Bengal Council*, on the 13th February, Mr. R. Maiti asked : Will the Hon'ble Member in charge of the Political Department be pleased to state how many persons from each sub-division of the district of Midnapore have recently been ordered to leave the district for an indefinite period under the provisions of the Suppressions of Terrorist Outrages Act of 1932 ?

Mr. R. N. Reid replied : Sadar Sub-Division 22, Contai Sub-Division 5.

Mr. Maiti : Is it a fact that amongst the extermes there are several practising lawyers of Midnapore town and some of the teachers of the Contai National School who were earning their livelihood in their respective places ?

Mr. Reid : Yes. Of the 22 extermes persons of the Sadar subdivision 8 were practising lawyers and of the extermes persons of the Contai subdivision 4 were teachers of the Contai National School.

Mr. Maiti : What are the particular acts for which each of the extermes has been placed under the ban referred to above ?

Mr. Reid : Government do not consider that it would be in the public interest to publish this information.

Mr. Maiti : Is the Hon'ble Member aware that similar orders were passed against the lawyers of the Midnapore town who had been previously engaged in defending the accused in the Burge murder conspiracy case but subsequently recalled ?

Mr. Reid : It is not known to Government on what dates defence lawyers were briefed by the accused in the case, but when the District Magistrate became aware that certain persons on whom such orders had been passed had been so briefed, the orders were treated as inoperative in their cases for the time being.

Mr. Maiti : Is the Hon'ble Member aware that the teachers and the students of the Contai National School held a meeting in which they strongly condemned the murder of Mr. Burge ?

Mr. Reid : No such resolution was brought to the notice of the local officers or of Government.

Mr. Maiti : Is the Hon'ble Member aware that the extermes Secretary and a teacher of the Contai National School sent representations to the District Magistrate of Midnapore asking him openly to prosecute them on a definite charge of helping terrorism if there is anything against them, while stating that they had never done nor encouraged any act of violence being absolutely pledged to the creed of non-violence ?

Mr. Reid : The District Magistrate received a representation from the Secretary of the School. The Secretary requested that he be furnished with proof of the charge that he assisted terrorism.

Mr. Maiti : Is the Hon. Member aware that no reply was at all sent to the said representations, nor was any action taken on them ? Mr. Reid : Yes.

Mr. Maiti : Do the Government propose recalling the order in cases of all the extermes ? Are the Government considering the desirability of making provision for the maintenance of the families of the extermes persons as in the case of persons interned under the Criminal Law Amendment Act ? Mr. Reid : No.

Mr. Maiti : Have the Government considered the question that the earning members of such families have been forced to leave their respective places of business all on a sudden and go outside the district without making any arrangement for their families ? Mr. Reid : Yes.

Mr. S. C. Ray Chaudhuri : Do not Government wish that the public should know all facts so that they may seek redress ?

The Home Member replied that he had nothing to add.

Mr. N. K. Basu : Is it not necessary to reply to a representation received from an extermes secretary and teacher of a school who sent a representation to the District Magistrate asking for redress ?

Mr. Reid said that there might be circumstance unde whichi was not necessary to reply to such a representation.

Asked by Mr. Basu to state the 'circumstances', the Home Member asked for notice of the question.

The Home Member denied the suggestion of Mr. Shanti S. Ray that the District Magistrate was instructed to make the extermnt orders passed on certain lawyers defending the accused in the Burge Murder Case inoperative for the time being.

Dr. N. C. Sen Gupta : When do the Government contemplate extermning the rest of the inhabitants of Midnapur ? (Laughter).

Mr. Reid : No such step is under contemplation.

The Home Member informed Mr. Majid Baksh that as a result of the orders becoming inoperative the lawyers concerned were allowed to appear in the case.

ROUTE MARCHES OF SOLDIERS

Mr. Narendra Kumar Basu asked : Will the Hon'ble Member in charge of the Political Department be pleased to state whether it is a fact that during their route marches in the district of Midnapore in December 1933 and January, 1934, soldiers have been used in making house-searches ?

Mr. Reid replied : No. Troops have been used only to provide cordons round houses in which the civil authorities were conducting searches in accordance with the provisions of law.

Mr. Basu : Have the Government received any complaints of atrocities committed by the soldiers conducting searches or making domiciliary visits during these marches ? Mr. Reid : Govt. have received two such complaints.

Mr. Basu : Has any inquiry been made into such complaints ? If so, with what result ? Mr. Reid : Yes. The allegations were found to be untrue.

Mr. Basu : Has any information been received by Govt. about atrocities committed at Balagobindapur on the 9th December ?

Mr. Reid : A complaint was received from Babu Ashutosh Ray Choudhury.

Mr. Basu : Has any information been received by Govt. about the atrocities committed at Palpara on the same day, at Banamali Chatra and at Bajiri on the 26th December and at Baitrakundu on the 27th ? Mr. Reid :—No.

Mr. Basu : Were any atrocities on the 3rd January last at Katraka ?

Mr. Reid : A complaint was received from one Kumud Charan Bera.

Mr. Basu : Have any enquiries been made ? If so, with what result ?

Mr. Reid : The allegations have been investigated and found to be false.

With regard to the employment of troops in making house searches in Midnapore, in answer to a supplementary question of Mr. N. K. Basu, as to the provision of the law under which the troops were so used, the Home Member said that he would like to have notice of the question.

Mr. Basu : Were the troops used in contravention of the ordinary provisions of the law ?

Mr. Reid : I am afraid I am unable to reply to the question.

As to the complaints of people against soldiers in this connexion, Mr. N. K. Basu wanted to know who held investigation in this respect. The Home Member said that in one case the investigation was conducted by the Additional District Magistrate and as regards the rest it was done by a senior Government Officer. Replying further to Mr. Basu, the Home Member said that he had seen the report of the investigation and was satisfied that a proper investigation was made.

Mr. Shanti S. Roy desired to know whether the troops in providing cordons for the purpose of house search acted under the military or the civil authorities. The Home Member said that in such cases the military were called in to aid the civil authorities.

The Home Member denied the suggestion of Mr. P. Banerji that one or two soldiers committed criminal assault. He however admitted that such a complaint was brought to the notice of Government by a member of the Council and said that the case had been sent up for investigation.

IMPOSITION OF COLLECTIVE FINES

At the Bengal Legislative Council, on the 21st February, Seth Hanuman Prasad Poddar asked : Will the Hon. Member-in-charge of the Political Department be pleased to state whether it is a fact that notices for collective fines have again been issued on two villages in the district of Chittagong ?

Mr. R. N. Reid replied : Collective fines were imposed on two villages in Chittagong district in November last.

Seth H. P. Poddar : Is the Hon'ble Member aware that there has been no further trouble of any sort in that place, and that the leaders of the late movement have been all secured and are undergoing various terms of imprisonment ?

Mr. Reid : No.

Seth H. P. Poddar : Is it a fact that the fines are levied on Hindus only ?

Mr. Reid : The fines have been levied only on those sections of the community to which the persons carrying on terrorist activity belong.

Seth H. P. Poddar : Have the Government considered the possibility that a suspect might be kept in concealment by persons belonging to any religion ?

Mr. Reid : Yes.

Seth H. P. Poddar : What then are the reasons of this invidious distinction ?

Mr. Reid : Certain classes of persons are exempted from liability to pay any portion of the fine not on communal grounds but on the ground that they cannot be held responsible for the conditions which led to the imposition of the fine.

Seth H. P. Poddar : Will the Hon'ble Member be pleased to state the amount of collective fines realised till now from Chittagong and Midnapore and how the money thus realised from the Hindus has been spent or is likely to be spent in the near future ?

Mr. Reid : If the question relates to the districts of Chittagong and Midnapore the amounts according to the latest figures are as follows : Chittagong—Rs. 78,631-9. Midnapore—Rs. 6,658-15. The sums realised have been credited to Government. In Chittagong a certain amount has been paid as compensation to those who suffered injury or loss from terrorist activity.

MILITARY MARCH IN MIDNAPORE

At the Bengal Council, on the 22nd. February, *Mr. R. Maiti* asked : (a) Will the Hon'ble Member-in-charge of the Police Department be pleased to state the object with which the military march in charge of the executive and police officers has been organised in all the thanas of the Contai and Tamluk sub-divisions in the district of Midnapore ?

(b) Is the Hon'ble Member aware of the allegations that are being made that the people are being forced by the local authorities to erect gates on public roads and decorate their houses and shops at their own expenscs for showing honour to the soldiers ?

(c) Is the Honourable Member also aware of the allegations—

(i) that the villagers have been forced to raise subscription for supplying the soldiers with food-stuffs during their route march throughout the mafassil ; and

(ii) that some private persons are being coerced to supply rich 'dallies' consisting of rare fruits and rich wines and get up tea and dinner parties for the entertainment of the soldiers, the executive and police officers, etc. ?

(d) Is the Hon'ble Member also aware that during the march of the military in the mafassil there have been plenty of house-searches going on, in course of which many valuable articles have been damaged and it is reported that the people are being forced to salute the Union Jack and subjected to assaults and various other indignities ?

The Hon'ble *Mr. R. N. Reid* replied :—(a) The principal object of these marches is to enable the people of villages in the interior to meet the troops and to appreciate their high standard of discipline, efficiency and mobility and to show that Government have at their disposal ample resources for the protection of all loyal and law-abiding persons.

(b) No such allegations have been brought to the notice of Government.

(c) (i) (ii) No such allegations have been brought to the notice of Government or the district authorities. All supplies required for the troops are duly requisitioned in accordance with rule and paid for in cash on the spot.

A number of substantial and local gentlemen have voluntarily arranged entertainments at their own expense.

(d) House searches have been made by the police during these operations but in no case by the troops. No avoidable damage has been caused. Flag-saluting ceremonies have been held in many villages and have been generally well attended by the people.

The only specific complaints that have come to the notice of Government alleging that certain individuals were forced to salute the flag or were subjected to

violence in that connection, have been inquired into and have been found so full of misstatements as to be wholly unworthy of credence.

Replying to a supplementary question of Mr. *H. C. Roy Choudhury*, the Home Member (Mr. R. N. Redi) said that he could not give detail of the damage but the damage was unavoidable.

Mr. *P. Banerji* : Is it not a fact that the people are now losing the fear of the military which they had, on account of those marches ?

The Home Member : I am not aware that they entertained any feeling of fear before.

Dr. *Amulya Ratan Ghosh* : Will the Hon. Member be pleased to state what these flag-saluting ceremonies are and how they are performed ?

The Home Member : Perhaps the Hon. Member has seen Proclamation Parade held in Calcutta on January 1 every year. This flag saluting ceremony is something like that, only the former is on a large scale while the latter on much smaller scale.

Mr. *N. K. Basu* : Was any force used to make the people salute the Flag ?

The Home Member : Not that I am aware of.

Dr. *A. R. Ghosh* : Was any notice served on the people to attend the flag saluting ceremony ? The Home Member : Yes, notices were issued.

ALIPORE JAIL HUNGER-STRIKE

“Altogether 19 political prisoners in the Alipore Central Jail are now on hunger-strike,”—This information was elicited by Mr. *Santi Sekharendra Roy* when he put a series of short notice questions on the subject in the *Bengal Council* on the 23rd. February.

Mr. *Santi S. Roy* : (a) Is the Hon'ble Member-in-charge of political (Jails) Department aware that Political prisoners in Alipore Central Jail lately brought to the notice of authorities concerned certain grievances affecting their daily life ?

(b) If the answer to (a) is in affirmative, what are these and what steps do Government intend taking for their redress ?

(c) Is it also a fact that failing to get redress of their grievances the aforesaid prisoners went on hunger-strike ?

(d) If the answer to (c) is in affirmative will the Hon. Member be pleased to state—(i) from which date have they gone on hunger-strike, (ii) how many are on hunger-strike ; (iii) what is the present condition of these prisoners, (iv) whether there is any apprehension of more prisoners joining the strike ?

(e) Will the Hon'ble Member be pleased to state whether it is intended to redress the grievances of the aforesaid prisoners and avert any possible calamity ?

(f) If the answer to (e) is in the negative, what steps do Government intend taking in the matter ?

Sir *C. C. Ghose* replied :—

(a and e) A large number of terrorist prisoners in Alipore Central Jail stopped work on February, 15, 1934, and five went on hunger-strike. On the following day they submitted a petition to the Jail Superintendent stating that they had decided on this course as in spite of repeated requests their grievances in regard to their treatment as Division III prisoners had not been redressed.

(b) Their grievances relate to the following :—

- (1) Writing materials.
 - (2) Newspapers and magazines.
 - (3) Dict.
 - (4) Washing soaps and toilet articles.
 - (5) Bed sheets.
 - (6) Winter clothing (supply of long pants, blankets, kurta with lining and kurta with long sleeves.)
 - (7) Tooth brushes and tooth paste.
 - (8) Indoor and outdoor games.
 - (9) Better arrangements for interview with relatives.
 - (10) Sandals.
 - (11) Shaving instruments.
- As the privileges demanded are only admissible in the case of Division II prisoners, Government propose to take no action in the matter.
- (d) (i) Five prisoners were on hunger-strike on 15-2-34.
 - (ii) There are now 18 prisoners of Division III on hunger-strike and one of division II who has gone on hunger-strike in sympathy.
 - (iii) Satisfactory.

(iv) I am not in a position to make any statement on this point.

(e and f) The conduct of the prisoners amounts to a gross breach of prison discipline and Government cannot consider any of these demands to which they are not entitled as Division III prisoners, so long as the hunger-strike continues.

Mr. N. K. Basu at this stage set the ball rolling.

Mr. Basu : When were the grievances first brought to the notice of the Jail authorities?

Sir Charu : The grievances were orally mentioned to the Jail Superintendent before February 15 but the first written representation was received on the 16th.

Mr. Basu : Is it not a fact that the demand for additional blankets was made at a time when cold in Calcutta was rather severe?

Sir Charu : The answer is in the negative.

Mr. Basu : What was the nature of the grievances regarding diet?

Sir Charu : They wanted a better diet than was allowed to Div. III prisoners.

Mr. Basu : Is it not a fact that for some time past it has been the rule in Bengal jails to give a better quality of rice to the literate prisoners than that given to the ordinary Division III prisoners? *Sir Charu* : I must ask for notice.

Mr. Basu : Is it not a fact that better quality of rice is given to literate prisoners in the Midnapur and other jails than that given to the ordinary Division III prisoners?

Sir Charu : The prisoners are not allowed anything which is not provided under Jail Code. In particular places the quality of rice varies and the quality of rice in these districts may be better.

Mr. Basu : Has the quality of rice supplied to literate prisoners in Alipur jail been changed during the last few weeks? *Sir Charu* : Not to our knowledge.

Mr. S. S. Roy : Have the prisoners complained ill-treatment by warders or other jail authorities?

Sir Charu : It does not appear in the petition submitted nor was there any record of any such complaint being received.

Mr. Roy : Did the prisoners receive the privileges while in other jails?

Sir Charu : I must ask for notice.

Mr. Roy : Has the Hon. Member made any enquiry as to why the prisoners have made these demands all on a sudden?

Sir Charu : As the Member will perceive from the answers already given the prisoners in question stopped work on the 15th and immediately went on hunger-strike. They did not give us any time whatever to make any enquiry.

Mr. Roy : Will he make any enquiry now that the grievances have been brought to his notice? *Sir Charu* : The answer is already given.

Mr. N. K. Basu : Considering that 19 men are on hunger-strike, does the Hon. Member propose to make a personal enquiry into the matter?

Sir Charu : The matter will receive consideration.

Mr. Basu : What objection has the Hon. Member to allow the prisoners writing materials? *Sir Charu* : The writing materials are not allowed to Div. III prisoners.

Mr. Basu : Has the Hon. Member or his department tried to get relations of prisoners interview them in order to induce them to give up hunger-strike?

Sir Charu : No.

Mr. Basu : Does he propose to try the suggestion made?

Sir Charu : As the members are aware, all reasonable representations made by them are enquired into.

Dr. N. C. Sen Gupta : Is it not a fact that at the Alipore Jail exercise books with marked pages and pencils were supplied to literate Div. III prisoners before this?

Sir Charu : Prisoners are allowed writing materials with the permission of the Jail Superintendent and when they want to write.

Mr. N. K. Basu : Is it meant in this case that the prisoners wanted writing materials without the permission of the Jail Superintendent?

Sir Charu : In the written petition submitted there is an allegation that prisoners wanted writing materials and they were refused by the Superintendent.

Dr. Sen Gupta : Has the Jail Superintendent made any comment in sending up the petition?

Sir Charu : Yes, the Jail Superintendent has reported that none of these demands is allowable to Div. III prisoners under the Jail Code.

Mr. N. K. Basu : If these demands are not ordinarily allowable under the Jail Code is there anything to prevent Government to accede to such of these demands as seem to them reasonable?

Sir *Charu* : Yes, prisoners have taken up a most defiant attitude. They have asked for the whole string of privileges which are not allowable to Div. III prisoners.

Mr. S. Roy : Have they been unruly ? Sir *Charu* : I have nothing to add.

Mr. P. Banerji : What objection can there be to the supply of long pants particularly during the winter season ?

Sir *Charu* : We have to proceed according to certain rules which do not permit these pants to be given to Div. III prisoners.

PRISONERS' GRIEVANCES—PRESS STATEMENT

Mr. Ajit Das Gupta, Secretary, Youth League, Bengal, who was convicted to a month's R. I. moved an appeal in the Sessions Judge's Court, Alipore and was released on bail. It appeared from his statement to the Press that eight Division II prisoners, including Ardhendu Guha, Narendra Nath Sen, Pabitra Roy, Hiren Dutt-Gupta, Nibaran Ghosh, Jnan Sidhanta, Jotirmoy Sen Gupta were declassified and placed to Div. III as they refused to wear caps on the Superintendent's file day as the system was deemed humiliating by them. As a protest, they refused to stand in file and were then kept in separate confinements with standing hand-cuffs almost every alternative day.

The Div. III prisoners, numbering more than 100 persons, it was reported, had also been locked up in cells and were courting all punishments by refusing work and file. Ten of them including Nalini Ranjan Das, Dasharathi Haldar, Shib Sankar Chowdhury, Radhaballav and others went on hunger-strike and it was understood more persons swelled the number of hunger-strikers in fresh batches and the situation took a serious turn. Their demands were as follows :—

1. Better diet, especially substitution of fine rice to coarse rice. 2. Newspapers and writing materials for all literate prisoners for cultural improvements. 3. Indoor and out-door games for healthy exercise. 4. Long pants, kurta with sleeves, bed-sheet, sandals. 5. Oil or soap for bathing purpose. 6. Lining in blankets which are coarse and pinching to the skin etc. The prisoners, it was reported, requested the Superintendent to grant them these facilities, placed their grievances to the I. G. too on several occasions but they were not redressed.

The latest reports showed that the situation became more tense. Another batch of nine prisoners subsequently joined the hunger-strikers, the total number thus coming to 19. Six persons were reported to have been prosecuted within the prison. Debkumar Das, Dinesh Ch. Das Gupta, Sudhir were also amongst those who joined the hunger-strike.

DEATH OF A DETENU

In the Council of State, on the 26th. February, Mr. M. G. Hallett in reply to Mr. Jagadish Chandra Banerjee regarding the illness and death of detenu *Haripada Bagchi* in the Deoli Detention Camp informed that correspondence of detenus in the Camp Jail is required to be passed by the officer-in-charge but in the transmission of the telegram sought to be sent by the detenus to Sj. Profulla Bagchi, brother of Haripada Bagchi intimating him of Haripada's illness was not delayed and it was despatched the same day.

Replying to the same Member, Mr. Hallett stated that Government had no information as to whether the telegram conveying the news of illness of Haripada despatched from Ajmer on August 22 last reached the addressee after the delivery of later telegrams despatched on the same day.

CHITTAGONG ORDERS

On the 12th. March, the District Magistrate, Chittagong issued 3 new orders under the Terrorist Suppression Act for the purpose of preventing movements of and communication with absconders and terrorists.

The first order directs that Hindu 'bhadrak' males between ages of 12 and 25 of Sitakund Thana and No. 85 Mauza Roshangiri in Fatiokchari Thana shall carry identity cards, which they must present, when demanded, before any police, military and gazetted civil officer and member of the Village Watch and Ward Committee within its jurisdiction. The order comes into effect from the 28th March, before which cards must be obtained. Violation of the order makes the offender liable to prosecution.

The second order prohibits Hindu 'bhadrak' males upto the age of 25 from using bicycles within the jurisdiction of Sitakund and Mirsarai Thanas, while by

the third order Hindu 'bhadralok' males upto 25 within the jurisdiction of Sita-kund, Mirsarai and Hathazari Thanas and No. 85 Mauza Roshangiri in Fatikchiri Thana are ordered to keep indoors between sunset and sunrise. Other people, not affected by the order, are directed to carry burning lamps while going out from home during the same period, and halt when challenged by the police and military.

The second and the third orders came into effect from the 15th March.

MILITARY PARADE AT CONTAI

In the *Council of State*, on the 6th. March, Mr. M.G. Hallet, Home Secretary, replying to Mr. Jagadish Banerjee admitted that a notice was issued on the 15th December last by the Sub-Divisional Officer of Contai to several local gentlemen of Contai requiring them to be present in the compound of the local Dak Bungalow at a particular hour on a particular day in order to welcome soldiers of the Royal Garhwali Regiment, who were reaching there and to salute the British flag.

He added that it is customary when troops visit a town to receive them with some formality and ceremony. It was on this account that the Sub-Divisional Officer had issued notice asking the gentlemen to be present.

No action was taken against those who did not attend the ceremony and no force was used to compel them to attend.

CONDUCT OF SOLDIERS IN MIDNAPUR

In the *Assembly*, on the 19th. March, Mr. S. C. Mitra in the course of his speech read out to the House grave allegations regarding the behaviour of soldiers posted in Midnapore District (Contai Sub-division). He said that the profession of a soldier was respected in India but it was now being disgraced. All instances quoted by the speaker mentioned names of the parties concerned and many cases of allegations included unusually harsh treatment for people refusing to salute the Union Jack under compulsion and invitation to the people to attend receptions to the District Magistrate and to soldiers under threat that absence would mean disloyalty. A number of offences against women were alleged and there was destruction of property and stealing of cash and ornaments.

He further related how schools had been forced to receive batches of soldiers at the time of their visit and how tea-parties and 'dallies' or in lieu thereof cash payments were extorted from the public. (cries of 'shame' 'shame' from the non-official members).

Mr. Mitra complained that the Commander-in-Chief never attended the Assembly now. The speaker said that he was prepared to hand over to Government the complaints he had made but recalled that he had made similar statements last year, but no information was available as to what action was taken by Government.

Dealing next with the case of detenus Mr. Mitra pleaded that political prisoners should be given better treatment and that detenus kept so long should be released. He felt that the spirit of patriotism once kindled could not be killed by repression but Government could devise means of bringing these men towards constitutional methods of agitation. Yet Government had done nothing in that direction.

CONDUCT OF TROOPS IN MIDNAPUR & CHITTAGONG

In the *Assembly*, on the 21st. March, Sir Harry Haig referring to Mr. S. C. Mitra's speech on the 19th, regretted that he was not present to hear a part of that speech. That speech contained serious allegations made in the course of the Finance Bill debate. It was impossible for any Government member to make a categorical statement about any thing that had occurred in Bengal without making enquiries. Only about a month ago in answer to Mr. Mitra's question he (the Home Member) had given full replies which showed that the facts on which he relied had been distorted out of all recognition. Still there was a campaign of misrepresentation and Mr. Mitra made himself responsible for serious statements. Sir Haig promised to obtain a report from the Bengal Government on these statements which he would treat as questions.

As regards the function of troops in Midnapore, Sir Harry Haig pointed out that troops to India were maintained not only for the purpose of defence against enemies, but for the purpose of giving aid to civil powers in internal emergencies. It was in accordance with these duties that troops were now employed in Bengal. Sir Harry Haig stated that valuable results had been achieved by the presence of troops in Bengal, and Government's anticipations in sending two brigades soon after the terrorist menace in autumn of 1932 were fulfilled, for the situation was now

very much better (hear hear). He did not wish thereby to minimise the efforts of civil officers, but the great part of the credit for the improved situation was due to the presence of troops. The general spirit of confidence had been restored in Midnapore. And in Chittagong also direct results had been achieved.

Sir Harry Haig hoped that nothing should be said or done in the Assembly which would have the effect of trying to discourage troops in the Bengal, for he had seen nothing in reports he had received to suggest that their discipline had in any way fallen short of an exemplary standard.

Referring to the problem of detenus, Sir Harry Haig was astonished at Mr. Mitra's charges. Mr. Mitra had declared that Government should not imagine that by merely keeping in restraint a few thousand young men they would kill the ideas of patriotism. Sir Harry Haig asked, "Does Mr. Mitra think that we are keeping these young men in order to kill the ideas of patriotism? The problem of detenus is practically confined to Bengal. Are there no patriots in other provinces? Has Bengal the monopoly of patriotism? Or is it not that Bengal has the monopoly of something different (political murder)? What Government are seeking is not to repress patriotism, but the desire for murder. That is the justification for the policy of keeping those young men under restraint. We fully believe that they are terrorists. The Bengal Government check their information by placing it before two Judges. If they proceed on wrong information, it is only in a very small number of cases."

Mr. Mitra, interrupting, stated that the procedure was only in respect of State prisoners.

Sir Harry Haig replied : "As regards State prisoners we follow exactly the same procedure as is followed by the Bengal Government in regard to prisoners under the criminal law. I would invite Mr. Mitra to make it clear whether by expressing his feeling, as he did, he in any way desired to support the murder of Government officials or their friends."

Mr. Mitra immediately answered in the negative.

Sir Harry Haig : I have no doubt that he did not desire to encourage that feeling but somehow his language was open to that doubt. However, the Government policy is to extirpate all those ideas which bring discredit and shame to Bengal. Quite apart from the considerations of morality and humanity, I am certain that Mr. Mitra has realised clearly the harm that is generally done to the interests of his own country, the feeling of distrust and estrangement engendered and the handle given to the opponents of political reform, not to speak of the material loss caused to the province and the expenditure involved in maintaining extra police force and the diversion of energies which should be utilised in beneficial activities."

Proceeding Sir Harry Haig explained the mentality of terrorists. Government had tried amnesty and released them, time after time they (terrorists) had gone back to the same profession. Terrorists would give up their policy only when they were made to realise force would not succeed. And that was what Government were endeavouring to bring home to them now so that they might discard those ideas and endeavour to lead a normal life. When that moment occurred, no one would be better pleased than the Government of Bengal.

Lastly Sir Harry Haig referred to the classification of prisoners and after pointing out that the revised rules were framed in consultation with leaders of parties in the previous Assembly, he stated that class (a) under the present rule was a special class in old rules, and statistically it would be proved that it was not correct to say that very few prisoners were sent to class (b) and more in class (c).

TREATMENT TO DETENUS

The question of the treatment of the detenus and the political prisoners was raised in the Bengal Council on the 24th March when Mr. Shanti Shekhar Ray moved a token cut in the Hon'ble Home Member's demand for a sum of Rs. 43,08,000 under the head Jails and Convict Settlements. The object of Mr. Ray's 'cut' was to record his emphatic protest against the treatment meted out to the detenus and the political prisoners. Mr. Ray said that they were all aware that on the authority of a law sanctioned by this House, the Government of Bengal had detained about 2000 persons without trial. Some of these persons had been kept in villages, some had been kept in jails of Bengal and others in jails outside the province. Detention without trial was in itself a very objectionable thing but detention of the persons in jails in distant places far away

from the province was still more objectionable. When they passed that measure in this Council they had no idea that the persons under that Act would be spirited away at the sweet will of the Government and lodged in jails far away from their health and home, far from the people of the province.

Continuing Mr. Ray said that Government had hitherto given no explanation for this conduct. From their attitude it appeared that this they had done in public interest but what that public interest was the public did not know. Some of these prisoners had been detained in Deoli where they were more or less under the charge of local authorities. He failed to understand why the Bengal Government which undertook the expenses for their maintenance would exercise so little control in the matter. This to his mind was an awkward state of things. When any grievance of the detenus of Deoli was mentioned before the Government of India, they always made an attempt to shirk the responsibility and throw it on the shoulders of the Government of Bengal. There was no provision there for looking to the condition of these detenus. There were no arrangements for non-official visitors of jails from Bengal going there to look to the state of affairs there. It was desirable that Government should appoint non-official visitors from Bengal who might examine their condition there and ascertain the real state of things. If this suggestion was acted upon, the Government of Bengal would to a certain extent be able to allay public feeling that exists in connection with this matter. In the absence of non-official visitors from Bengal all sorts of rumours found currency in the province leading to discontent in public mind. When attention was drawn to these things, no one seemed to accept the responsibility for looking to the real state of things. He did not blame the local authorities there because these detenus had been placed in their charge against their will and as such there was a natural reluctance on their part to accept such responsibilities. Why did not the Government of Bengal accept full responsibility in the matter? The sort of dual control was bound to give rise to a lot of troubles. He impressed upon the Government the desirability of abolishing these jails and if that was not possible he urged them to accept his suggestion, namely, to employ non-official visitors of those jails, to employ such persons from Bengal as really enjoyed the confidence of the public. That, to his mind, would go a long way to allay the strong public feeling on this particular matter.

When Mr. Ray was referring to the political prisoners in the jails of Bengal and in that connection to the hunger-strike in the Alipore Central Jail, the Hon'ble Mr. R. N. Reid, Home Member, raised a point of order and pointed out that the terrorist prisoners did not come within the scope of the discussion of his motion which related to political prisoners.

Mr. Ray replied that from the answers given to his short-notice question relating to this particular matter by the Hon'ble Sir Charu Chander Ghose the other day, he understood that Government considered them as political prisoners.

Mr. Reid pointed out that from the statement of the Hon'ble Sir Charu Chander Ghose it nowhere appeared that Government had accepted that position.

Concluding, Mr. Ray made an appeal to the Government to see that these detenus and political prisoners received generous treatment so that when they came out of jails they might entertain a feeling of love and affection for the Government. If that was done much of discontent and dissatisfaction would disappear from the country.

COST OF MILITARY PICKETS IN CHITTAGONG

In the *Council of State*, on the 28th. March, His Excellency the Commander-in-Chief told Mr. Bannerjee that the approximate cost of the military garrison at Chittagong over and above the normal pay etc. of the troops amounted to Rs. 1,35,000 in 1931-32 and to Rs. 1,00,000 in 1932-33.

Replying further His Excellency the Commander-in-Chief said that military pickets were posted at Chittagong since December 1931 and the strength of military pickets there was one battalion of Infantry. As to how long they will remain at Chittagong depended on the circumstances. He denied the allegation that respectable gentlemen of villages Patya and Dhalghat were sometimes subjected to such indignities as being made to cross tanks by swimming at night at the command of the chief of the military pickets who often carry on raid at night to track down terrorists.

Mr. Bannerjee asked : Will the Government kindly state the up-to-date approximate total cost of posting military pickets in Chittagong ?

The Commander-in-Chief: The approximate cost of the military garrison at Chittagong, over and above the normal pay of the troops, amounted to 1.35 lakhs in 1931-32 and 1.09 lakhs in 1932-33. The figures for 1933-34 are not yet available.

Mr. Banerjee:—Since when have military pickets been posted at Chittagong and its interior?

The Commander-in-Chief: December 1931.

Mr. Bannerjee: What is its strength?

The Commander-in-Chief: One battalion of infantry.

Mr. Baanerjee: How long will military pickets remain in Chittagong?

The Commander-in-Chief: It depends on the circumstances.

Mr. Bannerjee: Are the Government aware that respectable people in the villages of Patya and Dhalghat in Chittagong are sometimes subjected to such indignities as crossing tanks by swimming at night at the command of the chief of the military pickets who often carry on raids at night in order to track down the terrorist?

The Commander-in-Chief: No.

Mr. Bannerjee: Will the Government state what steps they propose to take to stop the misbehaviour of the military?

The Commander-in-Chief: The question does not arise.

FORFEITED FIRE ARMS

The following questions were asked in the *Bengal Legislative Council* on the 30th. March :—

Mr. H. R. Norton asked :—(a) Will the Hon'ble Member in charge of the Police Department be pleased to state whether it is a fact that Government are selling by private treaty and (or) at public auction fire-arms forfeited or seized from licensees and others?

(b) If the answer to (a) is in the affirmative, will the Hon'ble Member be pleased to lay on the table a statement showing for the past 12 months—

(i) the number of weapons so sold ; (ii) the amount credited to Government by such proceeds ; and (iii) the average price realised per weapon?

(c) Is the Hon'ble Member aware that S. B. guns and D. B. guns can be purchased privately from certain court malkhanas at ridiculously low prices, in some instances at as low as Rs. 2 for S. B. guns and Rs. 5 for D. B. guns?

(d) Have the Government considered the loss involved by such procedure in customs duty alone, where the purchaser would invariably obtain his fire-arms from a licensed dealer on which a minimum import duty of Rs. 18-12 per weapon is levied on the cheapest class to 40 per cent. and 50 per cent. on fire-arms of an imported value exceeding Rs. 40 and over, apart from the increased income-tax dealers would be liable to pay by such additional sales?

(e) Are the Government considering the desirability that all weapons forfeited to Government and which cannot be utilised for any department of the Government should not be sold in any way whatsoever but forthwith destroyed, not only in the interests of Government revenue but also for the gun-leaders in general?

(f) Is the Hon'ble Member aware that gun-dealers are suffering heavily owing to the political situation and restrictions in the issue of licenses?

Mr. R. N. Reid replied : (a) and (c) Confiscated and forfeited fire-arms, with the exception of rifles of prohibited bores and revolvers and pistols, are sold by public auction. In a few cases weapons have been sold by private treaty to Government servants. (b) A statement is laid on the table. (d), (e) and (f) The matters referred to entail considerations on which the Local Government alone are not competent to a decision, but they will receive attention. Number of weapons—812.

Amount credited to Government—Rs. 7,830-1. Average price realised per weapon Rs. 9-10.

Mr. H. R. Norton asked :—(a) Will the Hon'ble Member in charge of the Police Department be pleased to lay on the table a statement showing for the past 12 months the number of weapons—

(1) Rifles, (2) guns, and (3) revolvers and pistols seized, forfeited or deposited to Government with the exception of the district of Chittagong?

(b) Will the Hon'ble Member be pleased to state whether the unsold weapons each year are actually destroyed in accordance with the Government rules at present in force?

(c) If the answer to (b) is in the negative, what is the quantity of weapons which are still held over in the various court malkhanas?

(d) Will the Hon'ble Member be pleased to state whether all rifles of prohibited bores and revolvers and pistols forfeited and (or) seized by Government are duly sent each year to the Ordnance Officer designated for that purpose, to be broken up and destroyed?

(e) If the answer to (d) is in the affirmative, what is the quantity sent for that purpose during the past 3 years?

(f) If the weapons referred to in (d) have not all been so sent to the Ordnance Officer, will the Hon'ble Member be pleased to state—

(i) how many weapons are still held in the various malkhanas; (ii) whether the Government orders on this subject have been complied with; and (iii) whether in view of the possibility of terrorist raids on such malkhanas the Government are considering the desirability of taking steps for a strict compliance with their orders on the subject?

Mr. R. N. Reid :—(a) and (e) A statement is laid on table. (b) Yes. (c) Does not arise. (d) Yes. (f) Does not arise.

Number of weapons deposited, seized and forfeited for the past twelve months—

Rifles—272. Guns—3,705. Revolvers and pistols—530.

Number of weapons sent to the Ordnance Officer during the past three years for destruction—658.

TOLL OF TERRORIST OUTRAGE

In reply to Mr. Narendra Kumar Basu in the Bengal Council on the 31st March, the Hon'ble Home Member gave a list of the names of Government servants of all grades including Public Prosecutors killed or wounded by anarchists or terrorists in Bengal.

A—KILLED—1908-1915

1 Sub-Inspector Nanda Lal Banarji, Calcutta. 2 Khan Bahadur Shamsul Alam, Calcutta. 3 Head constable Sriish Chandra Chakravarti, Calcutta. 4 Head constable Haripada Deb, Calcutta. 5 Inspector Nripendra Nath Ghosh, Calcutta. 6 Head constable Ram Bhajan Singh, Calcutta. 7 Sub-Inspector Suresh Mukerji, Calcutta. 8 Sub-Inspector Girindra Banerji, Calcutta. 9 Constable Kalap Nath Pattak, Calcutta. 10 Constable Bahadur Singh, orderly to Rai Sahib Nanda Kumar Bose, Additional Superintendent of Police, Rangpur. 11 Constable Jogendra Nath De, of Nadia district. 12 Inspector Monomohan Ghosh, Barisal. 13 Babu Ashutosh Biswas, Public Prosecutor, 24-Perganas. 14 Babu Jitendra Mohan Ghosh, Deputy Superintendent of Police (Mymensingh). 15 Sub-Inspector Bankim Chandra Chaudhuri of Mymensingh. 16 Sub-Inspector Rajkumar Ray of Mymensingh. 17 Babu Sarat Chandra Bose, Head Master, Comilla Zilla School. 18 Assistant Sub-Inspector Rati Lal Roy of Dacca district.

1916—1919

1 Sub-Inspector Madhu Sudan Bhattacharji, Calcutta. 2 Deputy Superintendent of Police B. K. Chatarji. 3 Head constable Bilash Ghosh, Calcutta. 4 Sub-Inspector Haridas Maitra of Bogra D.I.B. 5 Babu Nabin Chandra Bose, Head Master, Malda Zilla School. 6 Constable Prasanna Nandi of Mymensingh. 7 Head constable Surendra Kumar Mukherjee of Dacca district. 8 Head constable Rohini Kumar Mukherjee of Dacca district. 9 Head constable Pati Ram Singh. 10. One constable killed in Khilafat riots (Howrah district).

1920—1924

1 Amrita Lal Roy, Postmaster, Sankaritala Post Office. 2 Sub-Inspector Prafulla Kumar Roy of Chittagong district.

1925—1929

1 Rai B. N. Chattarji Bahadur. 2 Babu Jyotish Chandra Roy, officer-in-charge, Kotwali police station, Barisal.

1930—1933

1 Bhaja Hari, P. W. D. chaprasi. 2 Lt. Col. Simpson I.M.S. 3 Constable Prasanna Kumar Barua of Chittagong district. 4 Constable Ramani Mohan Chakrabarti of Chittagong district. 5 Sergeant Major Farell of A. B. Railway Battalion, Chittagong. 6 Inspector Tarini Kumar Mukherji of Railway Police, Chandpur. 7 Mr. F. J. Lowman, I. P. Inspector-General of Police, Bengal. 8

Sheikh Tahsildar, Postman, Belliaghatta Post Office. 9 Chaukidar Entajuddin of Singha police station (district Bakargunj). 10 Mr. J. Peddie, I.C.S. District Magistrate, Midnapore. 11 Mr. R. Douglas, I.C.S. District Magistrate, Midnapore. 12 Mr. B. E. J. Burge, I.C.S., District Magistrate, Midnapore. 13 Mr. R. R. Garlick, I.C.S. District and Sessions Judge, 24-Parganas. 14 Inspector Khan Bahadur Ashanulla of Chittagong. 15 Captain Cameron, 2nd Battalion, 8th Gurkha Rifles (Chittagong). 16 Mr. C. G. B. Stevens, I.C.S. District Magistrate, Tippera. 17 Mr. E. B. Ellison, I. P., Additional Superintendent of Police, Tippera. 18. Babu Kamakshya Prosad Sen, Sub-Deputy Magistrate (Dacca district). 19 Kali Charan Mahali, Postal peon killed at Hili Station. 20 Assistant Sub-Inspector Imanulla, of Kotwali police station (Mymensingh district). 21 Constable Bhumiram Jaishi of Malda district (rising of Santhals at Adina Mosque). 22 Sub-Inspector Bhola Nath Ghosh, of Midnapore district. 23 Sub-Inspector Aoiruddhyia Samanta, of Midnapore district.

INJURED—1908-1915

1 Mr. Allen, District Magistrate, Mymensingh. 2 Inspector Sarat Chandra Ghosh (Dacca). 3 Head constable Pati Ram Singh of Dacca district. 4 Sub-Inspector Basanta Kumar Mukherji of Dacca district. 5 Sub-Inspector Prafulla Kumar Biswas of Dacca district. 6 Constable Sew Prosad Kahar, Calcutta.

1925—1929

1 Constable Bir Mohan Barua, of Chittagong district. 2 Lt. Col. O' Biren I.M.S. beaten by detenue with a baton in Mymensingh Jail while on rounds.

1930—1933

1 Sub-Inspector Nakuleswar Mukherji of Khulna. 2 Head constable Jagu Nath Singh of Khulna. 3 Mr. J. M. Taladar I. C. S. Subdivisional officer Patuakholi (Bakarguj). 4 Sub-Inspector Abdur Rashid of Patuakhali (Bakargunj). 5 Subedar Ram Binay Singh (At Patuakhali, Bakargunj). 6 Sub-Inspector Mubarak Ali Bhuiya (at Patuakhali, Bakargunj). 7 Mr. A. Cassels C. I. E. Commissioner, Dacca Division. 8 Inspector Hem Chandra Ukil, of Mymensingh. 9 Sub-Inspector Amiya Kanta Bose, of Mymensingh. 10 Sub-Inspector Jatinendra Mohan Roy, of Noakhali district. 11 Constable Manindra Nath Pal, of Noakhali district. 12 Constable Yakub Ali of Noakhali district. 13 Assistant Sub-Inspector Sasanka Mohan Bhattacharji of Chittagong district. 14 Inspector P. R. Macdonald of Chittagong. 15 Sergeant H. Willis, Chittagong. 16 Mr. E. Hodson I. P. Superintendent of Police, Dacca. 17 Babu Kali Pross Banerji, Certificate Clerk, Court of Wards estate, Dacca. 18 Constable Deo Raj Ram, of Dacca district. 19 Constable Jamadar Singh, of Dacca district. 20 Mr. L. G. Durno, I. C. S., District Magistrate, Dacca. 21 Sergeant Bourne of Dacca. 22 Constable Solaiman Khan of Dacca district. 23 Mr. C. G. Grassby, I. P. Additional Superintendent of Police, Dacca. 24 Constable Malu Mia of Dacca district. 25 Certain railway employees wounded at Hili station dacoity. 26 Mr. C. W. A. Luke, Superintendent, Rajshahi Central Jail. 27. Constable Suba Khan, driver of Sir Charles Tegart. 28 Bhupan Panda, P. W. D. chaprasi. 29. Mr. J. W. Nelson I. C. S. 30 Mr. H. P. V. Townend I. C. S. 31. Constable Shariff Khan. 32. Inspector Mukunda Bhattacharji, Calcutta.

1934

1 Mr. M. F. Cleary, I. P. Superintendent of Police, Chittagong. 2 Head constable Ram Dip Singh, Chittagong district.

POLITICAL OUTRAGES IN INDIA

In the Council of State, on the 12th April, the Home Secretary informed Mr. Jagadish Banerjee that the total number of political outrages in India from 1931 to February 1933 were 329 of which 210 were in Bengal. Of these 210 outrages in Bengal 13 were murderous outrages, 37 were attempts at outrages, 67 were dacoities, 10 were bomb throwing and 1 armed raid. The total number of officials killed and injured in India during this period was 193 of which Bengal was responsible for 114.

CONDUCT OF TROOPS IN BENGAL

In the House of Commons, on the 23rd March, Mr. David Grenfell suggested an enquiry into the complaints of the inhabitants of villages Patiya

and Dhalghat in Chittagong regarding the conduct of military pickets. Sir Samuel Hoare said that he had no information and added he was prepared to inquire if Mr. Grenfell so desired, but took the opportunity of saying as the Home Member stated in the Assembly on March 21 that examination of various complaints about the conduct of troops in Bengal had shown that they either had no foundation or were greatly exaggerated.

TERRORIST OUTRAGES ACT—RULES BY BENGAL GOVT.

The following was published in Calcutta Gazette in May 1934 :—

In exercise of the powers conferred by Section 18 of the Bengal Suppression of Terrorist Outrages Act, 1932 (Bengal Act XII of 1932), the Governor in Council is pleased to make the Bengal Suppression of Terrorist Outrages Rules, 1934, namely :—

1. These rules may be called the Bengal Suppression of Terrorist Outrages Rules 1934.

2. In these rules, unless there is anything repugnant in the subject or context,—

(a) "military officer" means a commissioned military officer; and "police officer" means a police officer enlisted under the Police Act, 1861, and includes a police constable and any member of the Eastern Frontier Rifles or the Assam Rifles.

3. (1) No person shall communicate, directly or indirectly, with an absconder or supply him with food, water, arms, clothing or any other article or assist him in any way.

(2) No person shall collect any money, valuable or other articles for the purpose of assisting any absconder.

4. (1) Every person who sees any absconder or has any information of the movement or whereabouts of any absconder or of any communication or means of communication with any absconder shall forthwith supply full information thereof to the nearest Magistrate, military officer or police officer.

(2) Every person who is aware of the presence in his locality of any stranger shall forthwith supply full information thereof to the nearest Magistrate, military officer or police officer.

5. Every person, if so required by any Magistrate, military officer or police officer, shall supply, to the best of his ability, any information of the movements or whereabouts of any absconder.

6. Every owner or occupier of a house shall, if so required by any Magistrate, military officer or police officer, supply any information regarding the inmates of the house and, if the District Magistrate by special or general order in writing so directs, shall supply without delay to any police officer specified in such order such information regarding persons arriving at or leaving the house as may be required in such order.

7. Every military officer and every police officer not below the rank of an Assistant Sub Inspector or, in the case of the Eastern Frontier Rifles and Assam Rifles of a Jamadar, shall have the power to intercept telegrams, telephone messages, letters, postcard or parcels whenever he considers it to be necessary for the purpose of preventing communication with an absconder or for the purpose of securing the safety of His Majesty's forces or police.

8. (1) If, in the opinion of the District Magistrate, it is necessary for the prevention or interference with any measures taken under Chapter I of the Bengal Suppression of Terrorist Outrages Act 1932 or under any rules made thereunder, he may, by order in writing, prohibit any person who does not ordinarily reside within any area specified in the order from entering, or remaining in, the said area without a permit granted by, and unless he complies with such conditions as may be imposed by, any authority specified in the order, and every such person shall comply with such order.

(2) An order made under sub rule (1) shall be served on the person against whom it is made in the manner provided in section 134 of the Code of Criminal Procedure, 1898.

9. No person who is not a member of His Majesty's forces or police shall wear the uniform or equipment of such forces or of the police or any clothing in any way resembling such uniform or equipment, unless he is entitled to wear such clothing as a Government servant, or has been permitted to do so by special or general order of the District Magistrate.

10. Every person who has any information of any matter likely to affect the safety of His Majesty's forces or police shall forthwith supply such information to the nearest Magistrate, military officer or police officer.

11. Every member of His Majesty's forces and police shall have the power to stop and search, or cause to be searched, any person whom he may suspect of communicating with or assisting communications with absconders or of carrying any arms, parts of arms, ammunition, or explosive substances, or of carrying any tools, machinery, implements or other material of any kind likely to be utilised for the commission of any scheduled offences and shall also have the power to search, or cause to be searched, any property which, in his opinion, is in the possession, or under the control, of such person.

12. If any military officer, police officer above the rank of Inspector or Magistrate of the first class about to conduct, or conducting, the search of any place for absconders has reasonable grounds for believing that an attempt to approach and enter the place to be searched will endanger the lives of the search party, he may, after taking all reasonable precautions for the safety of innocent persons, use any and every means necessary to ensure the safety of himself and his men when approaching and entering the place for the purpose of the search.

13. Every person who has any information of the whereabouts of any unlicensed arms, parts of arms, ammunition, or explosive substances or of any tools, machinery implements or other material of any kind likely to be utilised for the commission of a scheduled offence shall forthwith supply such information to the nearest Magistrate, military officer or police officer.

14. No person shall in any way impede or attempt to impede, or incite any person to impede, any member of His Majesty's force or police acting under Chapter I of the Bengal Suppression of Terrorist Outrages Act, 1932, or under any rule made thereunder.

15. Every person who has any information of any attempt or design to damage any military, police or other public property or any property specified in this behalf by the District Magistrate by order in writing shall forthwith supply such information to the nearest Magistrate, military officer or police officer.

16. No person shall endeavour to elicit information regarding His Majesty's forces or from any member of such forces or from the police or from any person in the employment of Government.

17. Any person who contravenes any of these rules shall be punishable for each such contravention with imprisonment which may extend to six months or with both.

TERRORISM—ITS CAUSES & REMEDIES

The following are extracts from a statement issued by the East Bengal Physical Education Association, Dacca in May 1934 :—

The country's horror at the dastardly attack on the life of H. E. the Governor of Bengal and its sigh of relief and gratitude on the providential escape has been expressed in unmistakable terms by thousands of messages of goodwill.

The Government has taken various preventive measures in various forms.

But in spite of all these, the movement does not seem to lack fire or recruit.

Although this association does not approve all of the measures taken so far, it is strongly of opinion that these alone will not be able to eradicate the evil fully and finally because—

First, in the considered opinion of this Association, the men who really hold the imagination of Young Bengal are either in detention or are out of the country by force of circumstances.

Secondly, the Terrorist movement is manifestly an youth movement. Instead of depending on the older generation, it generally replenishes its coffer and rank from young men.

Young people though, it is thought, lacking faith in the anarchist movement do not come forward to stop the menace because of the—

(i) generous feeling that ties every young soul to another, even though the latter may go "wrong."

(ii) false fear of being secretly or openly branded as a traitor to the cause of mother-land.

(iii) officers who are responsible for "law and order" not being accepted, in most cases, as "friends of the public."

Thirdly, sometimes it so happens that the irresponsible oppressions indulged in by a few thoughtless Government officials turn the sufferers inimical. The inhumane and harsh behaviours that are alleged to have been sometimes meted out to the political prisoners also aggravate this feeling.

Fourthly, the lack of suitable outlets for the youthful mind.

Fifthly, the general feeling of distrust that the Government maintains towards an average middle-class Hindu bhadralok youth is reciprocated by similar feelings on the part of these young men.

There are of course other points such as the world-wide political and economical unrest, the natural desire to see the country free from alien rule etc.

In this connection, this Association refutes the charges that have been so often laid on the callousness of the general public and specially of the parents and guardians. The average middle-class Bengali father is so engrossed with the daily round of duties that is his hard lot that he has scarcely any time to devote to his children. They go to school, visit the playfields by themselves and are more or less self-developed.

This Association suggests the following :—

1. Men of position and power, men in whom the country has unbounded faith should be entrusted by the Government to open negotiation with those leaders who have the real hold on the imagination of young Bengal. The arguments to convince them should be somewhat in the lines given below. If they are convinced they should be requested to become joint signatories to the manifestos. The general line of arguments are :—

(i) futility of the attempts to coerce a whole nation by the killing of a few officials. Even in these cases the hands of God are clearly visible by the miraculous escape of many of the victims.

(ii) the miseries and the oppressions that are sure to follow in the act of reprisal the sufferers being mostly innocent persons ; (iii) the evil example which may be repeated even when a national government is established. The dissatisfied party will take to these nefarious activities in order to coerce the party in power. This means the undermining of the morale of the society.

(iv) loyalty and devotion to mother-country are really replaced by a narrow sense of loyalty and devotion to the party or in other words by individual interest or interpretation.

(v) the unnecessary expenses that are incurred in combating this evil are put forward as reasons for the paucity of funds for nation-building work.

2. The teaching profession should come forward in body to try to impress upon the students, whenever occasions permit, by open talks and deeds the imbecility of this subversive policy. 3. The teachers and professors may also help the parents and the guardians as well as the students themselves by frequent visits to their homes. This will be somewhat in the nature of the duty that is performed by the rector of a residential university. 4. Instead of merely reiterating its faith on non-violence the Congress should come forward with a definite scheme for the suppression of this anarchic state of affairs.

Lastly and the most important of all is the introduction of compulsory physical education in all the institutions. We all are aware of the natural desire of a healthy young mind to seek out an outlet for its abundant energy. Facts and figures may be quoted to show how considerable reductions in criminal activities have been achieved by the introduction of a suitable type of physical education in the slum areas of the big cities. We educators should try to utilise this worth-while natural desire for activity for the promotion and creation of a healthy and worthwhile individuality. It is needless to say that this programme, to suit all classes and tastes, should be as much varied as is possible. For this purpose the Government should come forward to provide all sorts of facilities in the share of properly trained personnel, funds and play-fields. This will put a stop to all further recruitment

